REPORT RESUMES

ED 020 402 VT 005 145

BRITAIN'S INDUSTRIAL TRAINING ACT--ITS HISTORY, DEVELOPMENT AND IMPLICATIONS FOR AMERICA.

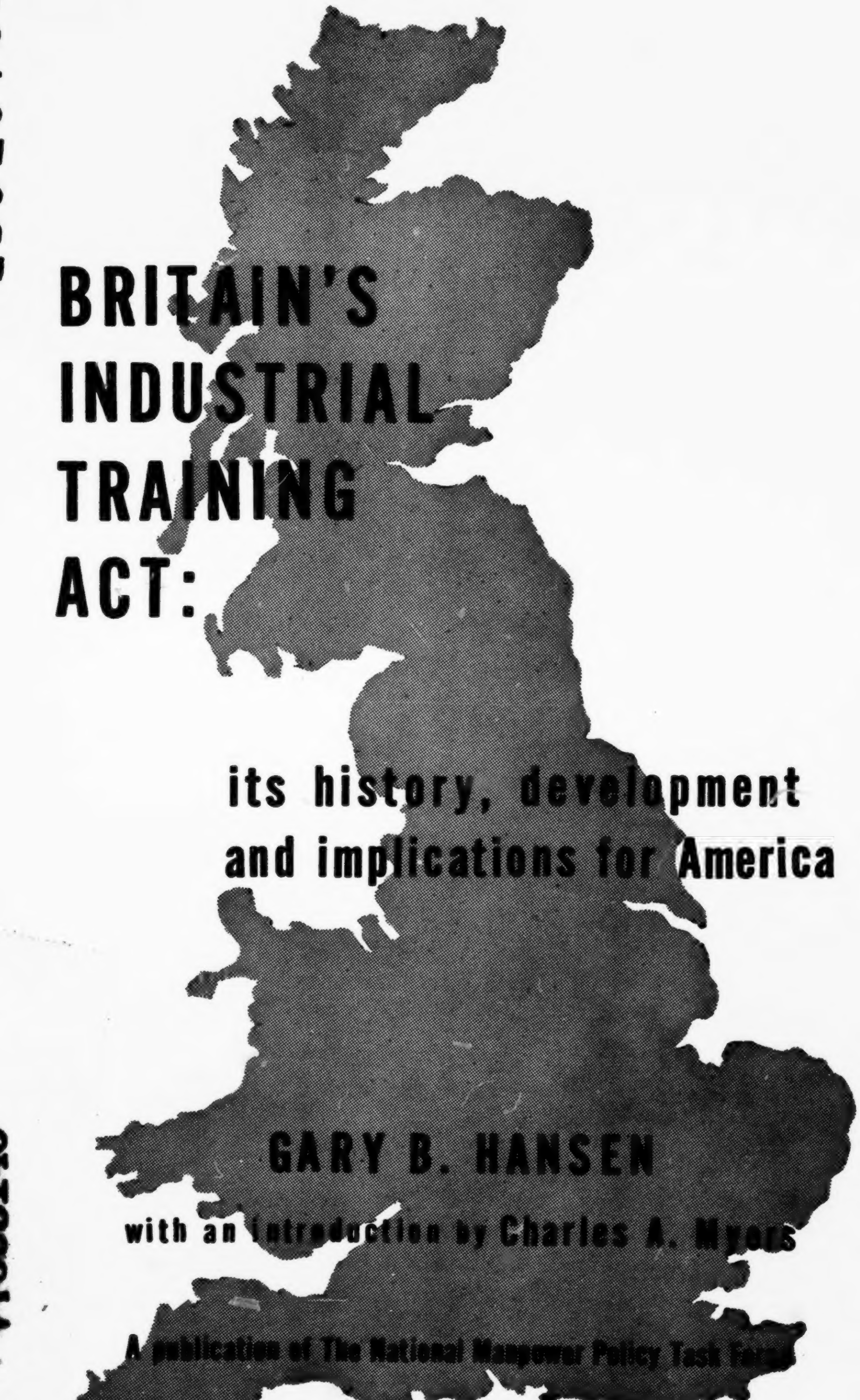
BY- HANSEN, GARY B.
NATIONAL MANPOWER POLICY TASK FORCE, WASH., D.C.

PUB DATE APR 67
EDRS PRICE MF-$0.50 HC-$3.40 83P.

DESCRIPTORS- *LABOR LAWS, *INDUSTRIAL TRAINING, *ADMINISTRATIVE AGENCIES, *INDUSTRIAL STRUCTURE, *FOREIGN COUNTRIES, SCHOOL INDUSTRY RELATIONSHIP, FINANCIAL POLICY, INDUSTRIAL TRAINING ACT, GREAT BRITAIN,

WHEN THE FOUNDATION FOR THE BRITISH EDUCATIONAL SYSTEM WAS LAID IN 1870, THE DICHOTOMY BETWEEN EDUCATION AND TRAINING WAS FORMALIZED. EMPLOYERS PROVIDED THE PRACTICAL TRAINING IN INDUSTRY, AND THEORY OR ACADEMIC COURSES WERE PROVIDED IN THE SCHOOLS. THE INDUSTRIAL TRAINING ACT OF 1964 GIVES THE MINISTER OF LABOR POWER TO ESTABLISH INDUSTRIAL TRAINING BOARDS FOR SUCH ACTIVITIES OF INDUSTRY AND COMMERCE AS HE THINKS NECESSARY. THE INCORPORATION OF THE INDUSTRIAL APPROACH INTO THE INDUSTRIAL TRAINING ACT INDICATED THAT WHILE THE GOVERNMENT PLANNED TO ACCEPT FAR MORE RESPONSIBILITY FOR TRAINING, IT DID NOT INTEND TO REMOVE THE FOCAL POINT OF TRAINING FROM INDUSTRY. THE DUTIES AND POWERS OF THE INDUSTRIAL TRAINING BOARDS ARE (1) TO PROVIDE OR SECURE THE PROVISION OF SUFFICIENT TRAINING FACILITIES FOR EMPLOYEES IN THEIR RESPECTIVE INDUSTRY, (2) TO MAKE RECOMMENDATIONS ABOUT THE NATURE, LENGTH, STANDARD, CONTENT, AND OTHER ASPECTS OF TRAINING, (3) TO PAY GRANTS TO EMPLOYERS PROVIDING TRAINING OF AN APPROVED STANDARD, AND (4) TO IMPOSE A LEVY ON EMPLOYERS IN THEIR INDUSTRY IN ORDER TO ACCOMPLISH THE TRAINING PROGRAM. THE JOB OF IMPLEMENTING THE ACT HAS PROVEN TO BE A DIFFICULT AND LENGTHY ONE. IN ADDITION, BECAUSE THE ACT ACCEPTS THE HISTORICAL DICHOTOMY BETWEEN EDUCATION AND TRAINING, THERE IS A DANGER THAT IT MAY PERPETUATE OR EVEN SHARPEN THE DISTINCTION AT A TIME WHEN THAT DISTINCTION IS BECOMING LESS MEANINGFUL. SEVERAL ELEMENTS IN THE BRITISH TRAINING SYSTEM, SUCH AS THE LEVY-GRANT SCHEME AND OCCUPATIONAL TRAINING ON AN INDUSTRY BASIS, SHOULD BE OF CONSIDERABLE INTEREST TO THE AMERICAN EDUCATIONAL SYSTEM. (HC)

ED 020402



BRITAIN'S INDUSTRIAL TRAINING ACT:

its history, development and implications for America

GARY B. HANSEN

with an introduction by Charles A. Myers

A publication of The National Manpower Policy Task Force

VT005145

NATIONAL MANPOWER POLICY TASK FORCE

A private nonprofit organization for studies and research in manpower policy.

E. Wight Bakke
Yale University

John T. Dunlop, Chairman
Harvard University

Rashi Fein
Brookings Institution

Eli Ginzberg
Columbia University

Frederick H. Harbison
Princeton University

Myron Joseph
Carnegie Institute of Technology

Charles Killingsworth
Michigan State University

Richard A. Lester
Princeton University

Sar A. Levitan
The George Washington University

Garth L. Mangum, Vice-Chairman
The George Washington University

Charles A. Myers
Massachusetts Institute of Technology

George P. Shultz
University of Chicago

M. H. Trytten
National Academy of Science

Arnold Nemore
Executive Director

818 EIGHTEENTH STREET, N.W.
WASHINGTON, D.C. 20006

August 1967

Funds used to support this paper came from a contract with the Office of Manpower Policy, Evaluation and Research, U.S. Department of Labor. The views presented herein are those of the author and do not, therefore, represent those of the Task Force or of the Department of Labor.

BRITAIN'S
INDUSTRIAL
TRAINING
ACT:

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL OFFICE OF EDUCATION POSITION OR POLICY.

its history, development
and implications for America

prepared for the
National Manpower Policy Task Force
by Gary B. Hansen
April, 1967

INTRODUCTION

Great Britain's Industrial Training Act grew out of widespread dissatisfaction with the existing system of apprenticeship training and the general absence of effective on-the-job training. It was passed by the Conservative Government in March 1964, in response to skill shortages, lack of training opportunities for young people, and the need to improve worker productivity. At that time, there were no unemployment pressures, and no problems of employing the "disadvantaged."

Thus, while much of the British experience reported by Mr. Hansen in this significant study has relevance for the United States, there are differences in each country's training problems. The British adopted the industry approach, relying on management and labor in each industry to establish Industrial Training Boards, which have power to levy assessments on each firm in the industry. Grants are then made to firms developing approved training programs, or refunds are given to those which have had satisfactory training schemes. The United States has some industry-wide training efforts, but not many. The size of our country, the diversity of its industry, the long experience with on-the-job training, and more recently with federal support for institutional and on-the-job training efforts all indicate the differences in the United States and British contexts.

Nevertheless, there is much in the British experience worth careful study in this country. As Hansen points out, there are real problems in evaluating and supporting training efforts by firms and industries, and the guiding role of the Ministry of Labor is crucial. By March 1967, seventeen Industrial Training Boards covering about 40 per cent of the British work force had been established. Most of them have concentrated initially on training young workers for skilled employment, even though the Act was to cover all types of training: skilled, semi-skilled, unskilled, technologist and technician, and even supervisory and management training. The levies assessed on firms by the Industry Boards vary between industries, and there have been difficulties in deciding when to give refunds for approved training programs already underway.

There is the further danger, according to Hansen, that the Boards will be expected to show results too quickly. In his view, "It will require approximately five years to establish Boards for all sectors of British industry and perhaps an additional five years to have them all working smoothly and efficiently." (p. 5)

Finally, the dichotomy between formal education and institutional or on-the-job training remains unresolved in Britain, as indeed it does in the United States. But the British training effort through the 1964 Act has increased the national "training consciousness," and the way in which a national training assessment through a British White Paper preceded the legislation points to the need for a similar national assessment in this country. The proposed national occupational training study under the auspices of the Manpower Administration of the Department of Labor should help to meet this need.

Charles A. Myers
Massachusetts Institute of Technology

April 1967

TABLE OF CONTENTS

ACKNOWLEDGMENTS

SUMMARY 3

HISTORY OF INDUSTRIAL TRAINING IN BRITAIN 11

- Early History 11
- Postwar Period: 1945-1956 12
- The Carr Report and the Industrial Training Council: 1956-1962 17
- The White Paper on Industrial Training: December 1962 23

THE INDUSTRIAL TRAINING ACT, 1964 27

- Legislative Intent and Policy Objectives 27
- The Scope of the Act 30
- Industrial Training Boards 31
- Minister of Labor's Powers vis-a-vis the Boards 35
- The Central Training Council 36

THE INDUSTRIAL TRAINING ACT IN OPERATION 37

- Levy Policy 39
- Grant Policy 42

Ministry of Labor 47
Training Recommendations 49
Staff 52
The Central Training Council 52

PROBLEMS AND PROSPECTS 54
Teething Troubles 54
Associated Further Education 57
Manpower Planning and Forecasting 58
Recruitment and Selection of Trainees 59
Unemployment and Retraining 60

IMPLICATIONS FOR U.S. POLICY 63
Training Consciousness and Unemployment Policy 64
The Levy-Grant Concept 66
Non Levy-Grant Functions of Industrial Training Boards 69
The Training Role of the Ministry of Labor 70
A National Training System 73

ACKNOWLEDGMENTS

This paper is written in response to a number of requests for information on Great Britain's 1964 Industrial Training Act and was supported by funds from the National Manpower Policy Task Force. It is part of a broader study of British industrial training and youth employment practices in which the author is now engaged.

Financial support for this research was provided by a Fulbright scholarship at the London School of Economics during 1965-66 and the New York State School of Industrial and Labor Relations, Cornell University.

I am grateful for the contribution and assistance of numerous officers and employees of several of the British Industrial Training Boards, the British Ministry of Labor, and numerous other agencies and industrial firms. I would also like to express gratitude for helpful critical comments on an earlier draft by Alan W. Brown, British Ministry of Labor; F. W. Greig, Deputy Head, Industrial Training Service; P. J. C. Perry, Director and Secretary, British Association for Commercial and Industrial Education; John Wellens, Editor-in-Chief, Industrial Training International; Lady Gertrude Williams; Professor F. F. Foltman, Cornell University; and the members of the National Manpower Policy Task Force and its Executive Director, Arnold Nemore.

Ithaca, New York G. B. H.

April 1967

BRITAIN'S
INDUSTRIAL
TRAINING
ACT:

its history, development
and implications for America

SUMMARY

The Industrial Training Act passed by Parliament in March 1964 represents an unprecedented attempt on the part of the British to create a national organizational framework to cover all levels of occupational training in all sections of the economy. It is also an attempt to rationalize and consolidate the disparate elements of a variety of training systems made obsolete by recent technological, social and educational changes.

History of Industrial Training to 1964

Apprenticeship has long served as the primary system of skill training in Great Britain. When the foundation for the nation's educational system was laid in 1870, the dichotomy between education and training was formalized. Employers continued to provide the "practical" training of young people in industry and "theory" or academic courses were provided in school.

As a result of full-employment economic policies adopted after World War II Britain faced an increasing shortage of skilled manpower. At the same time the post-war baby boom presented the prospect of a substantial "bulge" in the number of school-leavers (and the traditional system of apprenticeship became incapable of providing adequate numbers of skilled workers). In an effort to resolve these problems a committee was set up to investigate the nation's industrial training system and to make recommendations for its improvement. The 1958 report of the Carr Committee (a subcommittee of the National

Joint Advisory Council of the Minister of Labor) reaffirmed the position that: (1) training was the sole responsibility of industry; (2) the apprenticeship system of training should be retained; and (3) Government should concentrate its efforts on the expansion of the nation's system of further education.

The Carr Report also recommended the creation of a voluntary national apprenticeship council to encourage employers to provide training and to increase the number of apprenticeship openings for school-leavers. The Industrial Training Council was duly set up in 1958 to accomplish these purposes. Its efforts were largely educational, and little real progress was made in modernizing the nation's training arrangements.

An increasing barrage of criticism of apprentice training occurred in the period from 1958 to 1962. This criticism, together with increased Government interest and involvement in planning (including manpower planning), and negotiations over Britain's entry into the Common Market resulted in the Government's decision to intervene in the training field. The Government's proposals for training reform were embodied in a White Paper published in December 1962. After lengthy discussions, the White Paper, with some modifications, was enacted into law by Parliament in March 1964.

The Industrial Training Act 1964

The Industrial Training Act is primarily an enabling Act. It gives the Minister of Labor power to establish Industrial Training Boards for "such activities of industry and commerce" as he thinks necessary. While it does not set forth the details of training policy, the Act does declare that training should be conducted on an "industry basis."

The British opted for an industrial approach to training after considerable discussion and investigation of the

French and other systems of training which feature a national training tax and centrally directed occupational training arrangements. The choice of an industrial rather than an occupational approach, despite the recognized shortcomings of the former, was predicated on the need for the training levy to be assessed and collected on an industry basis and to facilitate employer involvement in the organization of training. The incorporation of the industrial approach into the Industrial Training Act also indicated that while the Government planned to accept far more responsibility for training, it did not intend to remove the focal point of training from industry.

The Industrial Training Act applies to all industries, including nationalized industries, but excludes the Crown (i.e., Government). The Act applies to all levels within industry -- for management and supervisory training, and for the training of technologists and technicians as well as skilled, semi-skilled and "unskilled" workers. The Act supports the view that all training is indivisible. Finally, it applies to persons of all ages, including the training, retraining and further education of adults.

The organizational vehicle created to fulfill the objectives of the Act is the Industrial Training Board. The duties and powers of a Board, as defined in the Act, are:

(a) to provide or secure the provision of sufficient training facilities for employees in their respective industry;

(b) to make recommendations about the nature, length, standard, content, etc., of training for different occupations (defined as "employments");

(c) to pay grants to employers providing training of an approved standard;

(d) to impose a levy on employers in their industry in order to accomplish (a), (b) and (c).

The definition of industries and the determination of the membership of Industrial Training Boards are done by the

Minister of Labor. The Board membership includes an equal number of employer and employee representatives, plus several representatives from Government and education. (Joint committees may be established by two or more Boards with overlapping occupational responsibilities.)

The Boards promote training of a desired standard using the levy-grant power provided by the Act. Each individual Board, with the Minister's approval, determines the basis and rate of the levy in its industry and the means for collecting it. The rate of the levy must be sufficient to cover the operating cost of the Board, any training directly undertaken by the Board or any outside organization on the Board's behalf, and any research carried out by the Board. The levy must also cover whatever grants the Board decides to make to employers and its industry.

The Act does not compel employers to train their employees. It does compel them to pay the levy and to supply certain information necessary for manpower planning.

The Minister of Labor, by virtue of his appointive and veto powers, is in a strong position to guide and supervise the work of the Boards. Since he also has the authority to make grants to Boards, he can provide an incentive to them, and thus indirectly to employers, to give priority to training which he thinks important.

The Act in Operation

Since the Industrial Training Act became law in March 1964, 17 Industrial Training Boards, encompassing nearly 40 percent of the British work force, have been established. Only those organized in 1964 and 1965 have passed the "settling-in" stage; many are still in the early stages of organization and are not yet fully operative.

The difficulties involved in establishing detailed training recommendations and the problems of forecasting manpower needs and planning to meet them have led most Boards to adopt "more-or-less" provisional levy and grant policies. This immediately provides incentives to employers to take a closer look at their training arrangements while allowing the Boards time to tackle the job of defining training standards for occupations of first priority.

The Engineering Training Board decided at the outset to tackle the whole range of training in the industry and to make its levy reflect the total cost of training in the industry. The other Boards have elected to begin in a more modest way and gradually work up to the position of the Engineering Board.

New innovations in training include off-the-job training of engineering and shipbuilding apprentices during the first year, more broadly based training syllabuses, group training schemes for small and specialized employers, new training programs for "semi-skilled" operatives in the steel industry, and a new approach to supervisory training.

Problems and Prospects

The job of implementing the Act has proven to be a difficult and lengthy one. It will require approximately 5 years to establish Boards for all sectors of British industry and perhaps an additional 5 years to have them working smoothly and efficiently. The important task of providing suitable manpower planning and forecasting information on which the Boards can base their decisions has not yet been achieved. In the rush to get the system launched and to "show results," there has been a need to guard against wasteful expenditures and mediocrity in training.

In addition, because the Act accepts the historical dichotomy between education and training, there is a danger that it may perpetuate or even sharpen the distinction at a time when that distinction is becoming less meaningful.

The reversal of Government economic policy in mid-1966 resulted in a sharp upturn in unemployment. The machinery set up under the Act, geared to meet the needs of a full-employment economy faced with skill shortages, has been unsuitable to cope with the problems of unemployment. Consequently, the present "crisis" has necessitated a more direct involvement of the Ministry of Labor.

Implications for America

Several elements in the British training system should be of considerable interest for U. S. policy. First, the incorporation of the levy-grant scheme into an "industry approach" to training made the system politically feasible to employers. Employers and trade unionists, whose peers on the Boards determine the rate of levy and the disposition of the resulting "industrial kitty," view the Boards as the training arm of their own individual industries and not as an imposition by unfeeling outsiders, i. e., government. The payment of levy is thus rendered more palatable and the work of the Boards less suspect. (The organization of training on an industrial basis draws on a long tradition of industry-wide thinking as well as on a long history of employer-trade union relationships.)

The British experience under the Act thus far indicates that, acting alone, a training levy -- or a tax credit such as that proposed in the 1967 Human Investment Act -- will not provide sufficient incentive to employers to bring about an optimum level of training. Rather, the obtaining of the desired quantity and quality of industrial training requires effective complementary systems of training technical assistance -- able to reach the level of the individual firm. This is especially true in industries having many small and specialized firms. The industrial approach to training does appear to lend itself to the development of these services through the encouragement of group training schemes by the Industrial Training Boards.

Although the American system differs significantly from the British, the concept of the Industry Training Board, with or without a levy-grant mechanism, is worthy of consideration. If adopted in this country, it could be a major step toward fostering a healthy training consciousness in industry and in providing the foundation for improving industrial training at the level of the firm. Even more importantly, such an approach might provide a suitable framework for overhauling America's archaic system of vocational education and training. Through such an organizational arrangement it may be possible to substantially modify the existing obsolete division of responsibility between indsitutional vocational education and industrial training within industry. In doing so, it places on-the-job training (especially for youth) and the employer's role and responsibility therein on a more formal and desirable footing.

The adoption of occupational training on an industry basis could be initiated by the voluntary creation or expansion of industry association training activities. Industrial Training Boards could be organized to include representatives of the employers, unions, education and the public. Financial incentives to stimulate organization could be provided by the Federal Government through grants made by the Departments of Labor and Health, Education and Welfare under existing manpower and vocational education legislation, or if none is applicable, by new legislation tailored to develop such a program. One of the primary objectives of such legislation should be to rationalize and strengthen the inadequate linkage between vocational training and employment and to foster a more satisfactory training relationship between the individual, the employer, and the provision of institutional elements of occupational education.

The Industrial Training Act is a compromise. It has formalized what were heretofore vague and undefined relationships and has taken the unprecedented step of making active, responsible partners of industry, trade unions, education and the Government in the directing of the nation's system of occupational training. The goal is the development of a truly national system of occupation training through the united efforts of these groups under the leadership of the Minister of Labor.

The difficult task of integrating "education" and "training" into a unified whole capable of meeting the nation's future manpower requirements as well as the needs of individuals is the challenge facing Britain's Industrial Training Boards. Their experiences will provide useful insights for us in America.

HISTORY OF INDUSTRIAL TRAINING IN BRITAIN

Early History

In 1563 the Statute of Artificers gave legal recognition and some measure of uniformity to the apprenticeship system as the accepted mode of training in Elizabethan England. This system, although declining during and after the Industrial Revolution,[1] was revived at the outset of the 20th century and remained the cornerstone of Britain's skill training system until the coming of the Industrial Training Act in 1964.

By the time the foundation for the nation's educational system was laid in 1870 industry had already assumed the responsibility for all forms of practical education and training required for skilled employment. In practice this was limited to "sitting next to Nellie" and the ubiquitous craft apprenticeship. The nascent educational system, reflecting the intellectual and cultural values of aristocratic England, adopted educational objectives which were both "liberal" and "theoretical." The division of theory and practice into separate watertight compartments and the arbitrary division of responsibility for vocational training and education between industry and the schools was effected in this manner.

The demand for technical education by young men who wanted to improve their position in industry and society resulted in the establishment of Mechanics Institutes in the early 19th century. These institutions were the forerunners of the modern Technical Colleges. Beginning at the close of the 19th century a growing number of Technical Colleges were added to the nation's educational system. They provided, usually on a part-time day or evening basis, whatever modicum of theory or technical instruction deemed essential or desirable for apprentices as they developed their practical skills.

---

[1] The Statute of Artificers was repealed in 1814.

By 1905 the salient features of the system of technical education in England were established. They consisted of "a predominantly part-time education for students working in factory and office, concentrated mainly on training the technician, craftsman and office worker, and preparing students for external examinations."[2] Enrollments in the system had reached a peak around which they were to fluctuate until the expansion following World War II.

Postwar Period: 1945-1956

By the early adoption of Lord Beveridge's celebrated full-employment proposals,[3] Britain became one of the first western nations, after World War II, to establish the maintenance of full-employment as a cornerstone of national economic policy. Its implementation brought with it, among other things, shortages of skilled manpower, especially in the construction and engineering industries. The British were not alone in suffering manpower shortages nor were they the first to become concerned with the apparent failure of voluntary efforts to solve them. However, the continuing shortages of skilled workers in the postwar period elicited a barrage of criticism of the nation's occupational training system probably unequaled in any of the other countries using comparable methods of preparing young people for skilled employment.

---

[2] Stephen F. Cotgrove, Technical Education and Social Change (London: George Allen & Unwin, 1958), p. 67.

[3] Lord Beveridge presented his famous report on Social Insurance and Allied Services to the Government in November 1942. In it he made three proposals: a system of children's allowances, a comprehensive health and rehabilitation service and maintenance of employment. The "Report" elucidated the first two, but did not deal with the third. This necessitated a sequal, Full Employment in a Free Society, published in 1944. In his second study Beveridge developed at length his proposals for the maintenance of full-employment. (His proposals were, of

For a number of years the critics generally had agreed that apprenticeship training, as conducted in Britain, was comparatively inefficient. Three reasons were given:

(1) There was no quality control to ensure a reasonable standard of training;
(2) It was riddled with a host of restrictive practices;
(3) It tended to accentuate the barriers between one skilled trade and another.[4]

Most of the critics also noted that too many employers were willing to "poach" skilled labor rather than go to the trouble of training it themselves. Some pointed out that limiting of formal apprenticeship agreements mainly to a few spec-

---

course, built upon the foundation of economic thought associated with his illustrious countryman, J. M. Keynes.) Most of Beveridge's ideas were incorporated into three White Papers published by the wartime coalition Government in 1944. These were: A National Health Service; Social Insurance; and Employment Policy.

[4] Sir James Dunnett, "The Industrial Training Act in Britain," Personnel Practice Bulletin (Australia), vol. 22 (September 1966), p. 10.

ified craft trades tended to deprive those entering other and newer occupations of systematic training.[5]

The influence of the trade unions on the traditional attitudes of industrial training in Britain cannot be overemphasized. Practically all schemes of training prior to the 1964 Industrial Training Act were the result of voluntary agreements between employer associations and trade unions. "It is this which made them so rigid." The unions chief concern was to protect the interests of adult skilled workers. They therefore insisted on strict age regulations and the five-year length for apprenticeship training irrespective of what had to be learned. In addition, unions refused to allow (and still do)[6] adult training for apprenticeable trades.

Since training has for so many years been synonymous with apprenticeship, continuous trade union opposition to apprenticeship reform has been a major obstacle to industrial training reform. The attitudes and policies of most employers regarding training, with the notable exception of an enlightened minority, has been one of apathy and neglect. The combination of union opposition and employer apathy produced little training progress during the first half of the 20th century.

Between 1945 and 1956 progress towards more and better industrial training in Britain was slow although some efforts were made to meet these and other criticisms. The

---

[5] Ibid. See also John Wellens, The Training Revolution: From Shop-Floor to Board-Room (London: Evans Brothers Ltd., 1963), pp. 45-54.

[6] The Amalgamated Engineering Union's National Market Committee recently voted not to allow full status to be granted to men without an apprenticeship background who have been doing skilled work for 10 years.

Ministry of Labor, acting through its Joint Advisory Council (composed of representatives of employer associations and trade unions), encouraged the development of national apprenticeship agreements for each industry and persuaded employers to use them. Although a number of councils were formed and "national schemes" drawn up, these were primarily concerned with the terms and conditions of employment and thus had little effect on the quality or quantity of training provided by the majority of employers in industry. The Ministry of Labor also used its powers to defer call-up for military service to insist that apprenticeship agreements provide a reasonable basis for sound training (e.g., deferment was granted only to apprentices who were afforded day-release).[7] These pressures undoubtedly contributed to the expansion of apprenticeship and to the numbers of school-leavers entering apprenticeship.

In the realm of technical education,[8] considerable progress was made in the postwar period. There was an increased provision for vocational education at technical colleges[9] through the extension of day-release and block-release[10] to more craft apprentices and, later, to technician apprentices. It is generally acknowledged by most independent observers that but for the provision of education and training in technical colleges, most apprentices would have had very little systematic instruction.

---

[7] "Day-release" is a procedure whereby apprentices or other young employees, usually under age 18, are released from employment with pay one day each week for courses of theory or related technical education at technical colleges.

[8] The term "technical education" refers to all forms of education having vocational content, and usually to education given outside the universities in the further education system.

[9] Technical Colleges, or Colleges of Further Education as they are sometimes called, constitute the British system of "Further Education." These institutions are sponsored by the local education authorities. Included in this

---

system are Polytechnics, Regional Colleges, Area Colleges, Local Colleges, Colleges of Commerce, National Colleges, and so forth.

The system of Further Education provides vocational and nonvocational education for young people over the statutory school-leaving age (15), and for adults. Young people (under 18) may attend these institutions without payment of tuition. If they are apprentices or trainees in approved courses, their employers will usually pay any tuition expenses after age 18 until the course or apprenticeship is completed.

Most students attend technical colleges on a part-time basis -- on day-release, block-release or sandwich courses. Some also attend one or two evenings a week.

Sandwich courses consist of alternate periods (usually 5-6 months) of full-time study in a technical college and supervised on-the-job training in industry, extending over a period of several years. Sandwich students are usually industry-based and receive their wages from the individual sponsoring firm.

[10] "Block-release" is a form of release wherein the apprentice or young trainee is released from his job with pay for full-time attendance at the technical college for a period of several weeks or months, after which he returns to his job full-time for an additional period. This form of release is considered by some to be pedagogically more efficient than day-release.

The Carr Report and the Industrial Training Council: 1956-1962

In spite of the efforts of enlightened employers, conscientious educators and the Ministry of Labor, by 1956 the number of apprenticeships available to young people leaving school was declining. This coincided with an increasing concern about the shortage of skilled workers and about the "bulge" in school-leavers expected to occur between 1960 and 1963. National educational statistics indicated that between 1956 and 1962 there would be a 50 percent increase in the number of school-leavers. Consequently, in the spring of 1956 a subcommittee of the Minister of Labor's National Joint Advisory Council was established under the chairmanship of Mr. Robert Carr, M. P. (then Parliamentary Secretary to the Ministry) to examine industrial training and, in particular, to determine the adequacy of existing institutions to cope with the challenge presented by the "bulge."

The Carr Committee report, published in 1958[11] was something of a disappointment to those who hoped for substantial reforms in industrial training. It accepted the view that "the responsibility for industrial training of apprentices should rest firmly with industry;"[12] and that the Government should "keep out" and concentrate its efforts on the expansion and improvement of facilities for technical education. The Committee found that, although existing facilities for training apprentices were inadequate in quantity and quality, the essential framework of the apprenticeship system was sound and should be retained.

---

[11] Training for Skill: Recruitment and Training of Young Workers in Industry, Report by a subcommittee of the National Joint Advisory Council (London: H. M. S. O. , 1958).

[12] Ibid., p. 6.

The Committee's most important contribution was the proposal to establish on a national basis a small, representative, apprenticeship council to follow up its recommendations. The Council was to act as a clearinghouse for information on training methods as well as statistics, and generally "to help, encourage and, if necessary, exhort" individual industries to fulfill their responsibilities.[13] This resulted in the establishment by the British Employers' Confederation, the Trades Union Congress and the nationalized industries (with financial support from the Ministry of Labor), of the Industrial Training Council in July 1958.[14] The Council had no executive or policy-making powers, and its function was largely educational. Nevertheless, it did establish a small, but very competent team of training consultants (the Training Advisory Service),[15] and contributed to the molding of industrial opinion about the urgency and magnitude of Britain's training problems.

---

13 Ibid., p. 31.

14 The Industrial Training Council consisted of a chairman, 8 representatives each from employer associations and trade unions, 3 representatives from the nationalized industries, and 6 representatives from the various Government ministries concerned with training. The incorporation of "industrial training" rather than "apprenticeship" into its title also denotes the fact that the Council concerned itself with other forms of training in addition to craft apprenticeship.

15 The Training Advisory Service had a staff of 2 people when it was first organized in 1960. It has been gradually expanded to its present size of 31 Training Development officers and 21 other staff employees (as of March 1967) situated in 9 different locations throughout England, Wales and Scotland.

One knowledgeable observer commenting on the 1958 report of the Carr Committee said, "with hindsight, one may fairly say of the Carr Committee that it was the 'morning star of the reformation,' that it drew further attention to shortcomings even if it was not able to suggest radical solutions."[16] Other observers summarized the report and the subsequent work of the Industrial Training Council as being "too little, too late." To their credit the Carr Committee and the Industrial Training Council did manage to increase the numbers of school-leavers achieving apprenticeships during the period of the "bulge." Unfortunately, there is little evidence that the quality of training given increased appreciably.

In its final report (published after the passage of the Industrial Training Act in 1964) the Industrial Training Council suggested four major causes for the slow progress made by individual firms in developing their training arrangements:

1. Lack of appreciation by firms of the economic advantages to the firm, the industry and its workers, of modern systematic training for workers whether technically "skilled" or not.
2. Lack of knowledge and understanding by firms of the principles of sound training and of the possibilities and methods of applying them to various circumstances.
3. Belief that learning a job is mainly the responsibility of the individual workers and that the cost of training should be shared by others or, in some cases, borne entirely by them.
4. Unwillingness to face the difficulties and problems of introducing economical training methods, suited to the type of work to be done, where these involve departures from existing practices and tradition.[17]

---

[16] Dunnett, p. 11.

[17] Industrial Training Council, Final Report (January 1963-November 1964), p. 4.

The thorny problem of industrial training was given considerable thought in Government circles during the era of the Industrial Training Council. In 1960 the Conservative Government made a gesture in response to needling by the Opposition in the House of Commons and allowed 300 apprentices to be trained during their first year in Government Training Centers (GTC). The admission of a few apprentices into GTC's was not regarded as an admission of Government responsibility for training, but was done to demonstrate good training practice as an example which employers could follow.

In 1956 the Ministry of Education published a White Paper on Technical Education and subsequently began a major program of expanding the nation's stock of technical college facilities.[18] This was followed up in 1961 by the publication of a second White Paper which proposed the reorganization of technical education in order to adapt the system to more fully meet the needs of industry.[19] Ministry of Education officials knew, however, that their efforts to reorganize and expand technical education would not be effective unless employers and the Ministry of Labor also made substantial progress in reforming training in industry.

The Ministry of Labor had begun to show some initiative in the training field. A team was dispatched to France in 1961 to study their system of vocational training, and additional information was obtained about training in other nations on the Continent. The idea of training levy modelled on the French system was discussed at considerable length. The outcome was, however, little more than

---

18 Technical Education Cmd. 9703, (London: H. M. S. O., 1956).

19 Better Opportunities in Technical Education (London: H. M. S. O.), Jan. 1961.

educational. The incumbent Minister of Labor, although in favor of reforming training in general, was not very enthusiastic about the national training levy approach. He and other Ministry officials did not feel that the French levy was "all that significant" in improving and extending training in France (which depends heavily on the provisions in State schools). Moreover, they did not think that a uniform tax would be satisfactory.

The stream of criticism of the training system was not diminished either by the establishment of the Industrial Training Council or by the modest Government initiatives. Throughout the entire period from 1958 to 1962 an increasing number of speeches and articles continued to appear, expounding the gospel of radical reform, and pointing out the abject failure of the Industrial Training Council and its principle of voluntarism.[20] Among the most persistent and articulate critics were John Wellens, a training consultant who was at the time editor of the journal Technical Education;[21] Lady Gertrude Williams, professor of Social Economics at London University's Bedford College; and the British Association for Commercial and Industrial Education (BACIE), a national non-profit organization devoted to the improvement of vocational education and industrial training.

One of the factors which had tended to inhibit all efforts to bring about meaningful training reform in Britain was overcome during this period. This was the fact that nobody really knew whether the existing system was working or not. Prior to 1956 there had been an almost complete absence of facts and substantive research on which to evaluate the system and make recommendations for improvement. Beginning in the mid-1950's however this lacuna began to be filled by the pioneering research efforts of a number of scholars including Gertrude Williams, Kate Liepmann, Stephen F. Cotgrove, P. F. R. Venables, and Dorothy Silberston. Their work provided much of the factual information on which the critical evaluation of existing methods of training was based.[22]

---

[20] See for example, Margaret Croft, Apprenticeship and the "Bulge" (London: The Fabian Society, 1960); Association of Teachers of Technical Institutions, Training for Skill, 1960; Gertrude Williams, Training for Skill (London: The Fabian Society, 1959); and various issues of Technology; Technical Education and Industrial Training; and BACIE Journal.

[21] John Wellens is currently editor-in-chief of Industrial Training International.

The impact of the training critics and researchers was reinforced by the direction which the Government's economic policy took after 1961. Responding to the ground swell in support of some form of national planning, the Government set up the National Economic Development Council (NEDC) in early 1962. In its first draft report there was a much more realistic acknowledgement of the fact that Britain needed some rational manpower planning as part of its planning mechanism. Selwyn Lloyd, the

---

[22] See for example, Gertrude Williams, Recruitment to Skilled Trades (London: Routledge and Kegan Paul, 1957); Kate Liepmann, Apprenticeship: An Enquiry Into Its Adequacy Under Modern Conditions (London: Routledge and Kegan Paul, 1960); Stephen F. Cotgrove, Technical Education and Social Change (London: George Allen & Unwin, 1958); P. F. R. Venables. Sandwich Courses: For Training Technologists and Technicians (London: Max Parrish, 1959); P. F. R. Venables and W. J. Williams, The Smaller Firm and Technical Education (London: Max Parrish, 1961); D. M. Silberston, Youth in a Technical Age (London: Max Parrish, 1959); D. M. Silberston, Residence and Technical Education (London: Max Parrish, 1960).

Chancellor of the Exchequer who had been in office the previous year during the "stop-go" period and whose opposition to schemes of Government financed training remained quite firm, was replaced by a new Chancellor in the summer of 1962.

The negotiations over membership in the European Economic Community were also of considerable significance. In 1961 the MacMillan Government moved towards a decision to apply for membership, provided adequate arrangements could be made to safeguard the interests of Commonwealth countries. A formal application for membership was initiated, and negotiations proceeded throughout the year 1962.

The first part of this period actually saw a cutback in the provision of GTC facilities as part of the general economies made by the Government during the period of retrenchment in government expenditure from mid-1961 to mid-1962 -- generally known as the "pay pause." The expansion of adult retraining in GTCs was strongly urged by the NEDC in the latter part of 1962, and eventually got underway in early 1963.

All of these events pointed toward a more "positive" manpower policy on the part of the Government.

The White Paper on Industrial Training: December 1962

In the spring of 1962 BACIE held a national conference whose theme was "Industrial Training -- Whose Responsibility?" It was a memorable conference and marked a turning point in the struggle for training reform in Britain.

The first conference speaker was Mr. John Hare, the Minister of Labor. He summarized the work of the Industrial Training Council and defended the Government's policy of laissez faire in training matters. (Although he clearly maintained the position that industry should be left to look after its own training affairs, Hare said that in his view the Government would be forced to step in if industry did not manage its affairs sufficiently well.) He was followed by Lady Gertrude Williams who presented an incisive and cogent analysis of Britain's training problems. The logic of her analysis clearly challenged Mr. Hare's arguments in defense of the status quo. Lady Williams concluded her excellent speech by proposing a plan for a completely redesigned national system of apprentice training which would include industry training boards, a levy-grant system, training consultants and inspectorate, and terminal trade tests.

Another speaker at the conference, Mr. F. C. Hayes, Head of the Training Section, Joint Iron Council, contrasted developments in Britain's antiquated system with the training developments then taking place on the Continent. He spelled out in disquieting terms the contents of the "General Principles of the Implementation of a Common Training Policy" published by the European Economic Community in December 1961. The implications for Britain were unmistakable: entry into the Common Market would require a complete and radical reorganization of the nation's system of industrial training to bring it into line with EEC training policies and practices.

Hayes also outlined the national training policies and programs being carried out in France, Sweden and the Netherlands and concluded by noting that "The three cases clearly show that the respective governments consider industrial training to be of sufficient national interest to participate actively in it, whatever form this may take."[23]

Lady Williams' proposals provoked much thought and James G. Stewart, Under Secretary of the Ministry of

---

[23] British Association for Commercial and Industrial Education, Industrial Training -- Whose Responsibility? Papers presented at the BACIE Spring Conference, London, England, 10 May 1962, p. 21.

French system and to consider alternative possibilities for a national training system. Their work resulted in the White Paper on Industrial Training published in December 1962.[24]

The marked change in the climate of opinion between the publication of the Carr Report in 1958 and the White Paper in 1962 is best indicated by the welcome given to the radical proposals by all the main employer associations and trade unions as well as by the educational world.[25] At the time of its publication, however, Ministry of Labor officials did not know how much opposition their far-reaching proposals with levy authority and Industrial Training Boards (ITBs) would engender.[26]

In the Parliamentary debates on the Bill, both parties could not praise it enough; all agreed to the urgent need for passage. The only issue which resulted in a major disagreement was whether or not there should be a strong autonomous body to act as a national training executive.

---

[24] Industrial Training: Government Proposals, Cmd. 1892 (London: H. M. S. O., 1962).

[25] Dunnett, p. 12.

[26] When the Industrial Training Bill was drafted in early 1963 the levy proposal was put in the form of a negative response -- which meant that if no one "prayed the Queen" to exclude the section it would not have to be debated. This was in marked contrast to the normal positive response which would have required a debate on the issue. The Parliamentary draftsman was surprised at the suggestion to put it in this form and was still more surprised when it went through without any debate at all.

In early discussions, John Wellens and BACIE argued for a strong centralized national training authority with executive powers to make sure that industries fulfilled their training responsibilities.[27] The White Paper made no provision for such an executive body. However, Wellen's and BACIE's arguments, bolstered by the obvious failure of the powerless Industrial Training Council, were adopted and pushed by the Trades Union Congress. Employers and their associations opposed a central body outside their control. The Ministry of Labor also opposed a central body because they considered themselves such a body and were prepared to carry out all the purposes sought by the proponents of a national training executive. Furthermore, they argued that Parliament could not and would not delegate taxing authority to an autonomous body not directly responsible to it. In a typically British fashion a compromise was effected providing for the establishment of a central training council as an advisory body to the Minister of Labor.

It appears that both employers and the trade unions (as well as the politicians) -- through their common experiences in "Neddy" (NEDC) planning, Common Market negotiations, frustrating Industrial Training Council activities, and their education by the advocates of industrial training reform -- had been sufficiently "enlightened" to accept the proposed national system without too much resistance. The Industrial Training Bill became law in March 1964 after a smooth and swift Parliamentary voyage.[28]

---

[27] Wellens' arguments were set forth on the pages of Technical Education and in his book The Training Revolution which was published in 1963.

[28] Industrial Training Act 1964 (London: H. M. S. O., 1964).

THE INDUSTRIAL TRAINING ACT, 1964

Legislative Intent and Policy Objectives

The White Paper on industrial training outlined the case for the Industrial Training Act. After enumerating the weaknesses of the nation's training system, the White Paper acknowledged the Government's decision to play a more positive role in industrial training.

> The government has therefore decided that the time has come to strengthen and improve the existing partnership between industry, the government and the education authorities in the provision of industrial training.[29]

The extent of Government participation can be seen in the provisions of the Act outlined below. While the Government accepted far more responsibility for training than heretofore, industry remained the focal point of training. The adoption of an "industrial" rather than an "occupational" approach to training highlights this fact. The choice of an industry approach, despite all its shortcomings, was predicated on the need for the levy to be assessed and collected on an industry basis and to facilitate employer involvement in the organization of training. It was devised after considerable discussion and study of the French training system which is a nationwide system with individual committees in each industry to advise on the administration and its application to that industry. It was noted that the French had the benefit of an existing tax to which an extra percentage could easily be added to cover the boards. The

---

[29] Industrial Training: Government Proposals, p. 4.

British had no comparable tax which would be administratively suitable. The working parties concluded that it was not really possible to proceed on a national system basis.[30]

It was at this point that Lady Williams made her proposal that each industry should be responsible for its own organized training. The "industrial" approach was adopted, according to James G. Stewart, because it was the next best alternative.

> Ideally one would like to approach training on an occupational basis because the actual training for the individual is training for an occupation, but it was thought impossible because it has to be organized through employers, and employers belong to industries not to occupations. So, though we have adopted the industry-by-industry basis approach, we are trying to apply it in a way which will get a little nearer the occupational approach then just an absolutely straight application by industry without regard to other factors.[31]

A second and equally important policy incorporated into the Act is the statutory requirement that a significant number of educators be included in all of the administration. This is the first time the community has accepted partial responsibility for training for employment. For this reason the Act is looked upon by several observers as being the second half of the major reform of the British educational system.[32] (The first half of the reform was the 1944 Education Act which provided that secondary education should be available to all irrespective of their parents' incomes, according to their ability. The system thus created offered opportunities to the intellectually bright but did nothing for the majority of the population who leave school at the legal age (15).)

---

[30] The Industrial Training Act, Report of the BACIE Conference, London, April 29, 1964 (London: British Association for Commercial and Industrial Education), p. 34.

[31] Ibid.

The Industrial Training Act is primarily an enabling act and as such does not specify the details of training policy. Rather, it gives the Minister of Labor power to establish ITBs for individual industries and regulates the duties and powers of Boards.

The Act has three main objectives:

(1) to insure an adequate supply of properly trained men and women at all levels in industry;
(2) to secure an improvement in the quality and efficiency of industrial training;
(3) to share the cost of training more evenly between firms.[33]

The ranking of these objectives indicates the order of their importance. However, in the early stages the training activities of Boards have been overshadowed by the complexities of establishing and implementing levy-grant procedures designed to spread training costs. In the long run, however, activities to raise the standard of training in each industry will prove far more significant. In addition, all ITBs must devise adequate methods of forecasting future manpower needs so that training can be organized to achieve more efficient use of the nation's manpower.

---

[32] Information in a letter to the author from Lady Gertrude Williams, April 3, 1967.

[33] Ministry of Labour, Industrial Training Act 1964: General Guide, Scope and Objectives, April 1964, p. 6.

The Scope of the Act

The Industrial Training Act applies to all industries -- nationalized and privately owned -- process, service and distribution, as well as manufacturing, agriculture, banking and insurance. The Act does not, however, apply to the Crown. In moving the second reading of the Industrial Training Bill the Minister of Labor pledged that national Government departments would, in respect to their own employees, at least equal the standards set by training Boards for industrial training and associated further education. Local Government Authorities are covered by the Act to the extent that they are engaged in activities of industry or commerce. Thus, the construction and engineering employees of Local Authorities have -- at the Authorities' own request -- been brought within the scope of the Construction and Engineering Training Boards.

The Act applies to all levels within industry -- for management and supervisory training, and for the training of technologists and technicians as well as skilled, semiskilled and "unskilled" workers. When the White Paper on Industrial Training was being discussed, employers and their associations wanted management training specifically excluded from the province of the Act. They argued that it was a unique form of training and not a proper subject for the concern of the ITBs. They were most worried about the prospect of trade union representatives on the Boards having a say about management training. The Ministry of Labor assured the employers that the Boards would be so busy worrying about the problems of training young people and skilled workers that they would not have time to get involved in management training. Consequently the bill passed without any limitations on the levels of training; thus supporting the view that training is indivisible.

Finally, the Act applies to persons of all ages, including the training, retraining and further education of adults. The Act recognizes the training needs of workers whose jobs may be eliminated by technological change or economic adjustment and who may have to learn new jobs several times in a lifetime. The Act calls into question the usual notion that training is something carried out only between ages 15 and 21 and not thereafter. The inclusion of training for workers of all ages is, therefore, one of the most significant features of the Act.

Practically all discussion and proposals submitted right up to the publication of the White Paper on industrial training were directed at training young people to become skilled workers. Many of the reformers never looked beyond this. It is, however, to the credit of the framers of the Bill that they recognized apprentice training as being only one aspect, albeit an important one, of industrial training. Thus, no limitations were placed in the Act which would the development of industrial training and retraining for workers of all ages.

Industrial Training Boards[34]

Before establishing the ITB the Minister of Labor has a duty to consult with employer and employee representatives in an industry about the scope of the Board and about persons to be appointed to the Board. Normally, draft definitions are circulated to all parties concerned for their comments and suggestions. The membership of an ITB just include:

---

[34] Much of the factual material for this section has been drawn from J. P. De C. Meade, "The Industrial Training Act 1964: An Example of Shared Responsibility" (Paris: O.E.C.D., 1966), pp. 8-11 (De C. Meade is the Secretary and Head of the Industrial Training Service); and unpublished Ministry of Labor sources.

(1) A Chairman (who must have industrial or commercial experience).
(2) Equal numbers of employer and employee representatives.
(3) A number of educational representatives:
(4) Representatives of the Ministry of Labor, the Department of Education and Science, and the Scottish Education Department (they attend meetings as ex-officio members without the right to vote).

The representatives of the Ministry of Labor and Department of Education and Science on each ITB are described as assessors. They have the right to attend meetings and to receive papers, but they may not formally take part in the decisions reached by the Training Boards. They have the key role in making known to the Boards the Minister's views on matters of substance and to provide a continuous feedback to their respective Ministers on what the Boards are doing. Although the Minister of Labor has statutory powers in relation to the ITBs, it is the power of persuasion as exercised through the assessors to each ITB that really matters.

The decision as to whether or not and when to establish an ITB is made by the Minister of Labor. The present policy is to bring the full range of industries under Boards as quickly as the administrative work involved will permit. This should result in the establishment of approximately 30 to 35 Boards over a 5-year period.

The major duties of the ITBs are: (1) To ensure that a sufficient quantity of training facilities are provided to meet the assessed requirements of the industry. (2) To establish standards of training. (This is done by publishing recommendations on such matters as the nature, content and length of training, together with the associated further education which the Board considers the minimum appropriate for particular occupations in the industry.)

Before a Board can effectively start work it must send to the Minister of Labor proposals on the ways in which it intends to exercise its powers. Once a Board's proposals have been approved, it must work within this framework until new proposals are submitted and approved. The Minister can at any time direct a Board to submit new proposals. If he is dissatisfied with any proposals, he can direct the Board to revise them. As a last resort, he can declare a Board to be in default, dismiss its members and appoint other persons to take over their positions.

The powers given to ITBs which enable them to carry out their duties are:

The Levy: An ITB is required to impose a levy on all employers in the industry (except those it may specifically or temporarily exempt). Each Board is free, subject to the Minister's approval, to determine the rate of levy and method of computing and collecting it. The levy, however, has to be sufficient, together with any grant made by the Ministry of Labor, to cover: (a) the cost of administering the Board; (b) the cost of grants made by the Board to firms; and (c) the cost of any direct training undertaken by the Board. When the Minister approves the proposals, he drafts a levy order which is "laid before Parliament," after which the levy has statutory authority and may be enforced by law. Levy proposals must be submitted from time to time which, thus far, has meant annually. Levy paid by a firm is, like other training expenses, deductible in calculating the profits for tax purposes; grants are taxable like any source of income.

Appeals Procedure: The Ministry of Labor is required under the Act to provide for the establishment of special tribunals to hear appeals from companies against being levied. Employers cannot, however, appeal the rate of levy.[35]

The Grant: An ITB may make grants to those companies whose training arrangements are approved by the Board. There is no legal obligation on companies to make any arrangements for training. However, they cannot claim any grant unless they provide training meeting the Board's standards. Boards may pay fees to firms or other organizations providing training courses used by firms. They may pay consultants' fees for approved training advice and assistance. They may also pay maintenance and expenses of students. There is no provision in the Act for appeal by a firm against the amount of grant made by an ITB.

Information: Both the Minister of Labor and the ITBs have the power to require firms to keep records and provide reports and information, including financial information, needed to establish levy assessments. Boards may apply tests to determine whether their standards have been attained.

Committees: Boards may appoint committees to which they can delegate their powers (except financial ones). These could be functional committees (e.g., a supervisory training committee), or committees covering a particular section of the industry (e.g., the Civil Engineering Committee within the Construction Industry Training Board). The intent of the Act is that Boards cover as large sections of industry as practicable, and that smaller closely related industries or special sections of industries be dealt with by committees.

---

[35] In practice this has not been done. Special tribunals have been set up to deal with appeals under the Contracts of Employment Act and the Redundancy Act and it has been decided that the same tribunals will deal with appeals under the Industrial Training Act. At present the tribunals are getting more training cases to deal with than either of the other two types.

Borrowing and Lending: Boards may borrow money and make loans.

Apprenticeship: Boards may apprentice boys to themselves as well as or instead of to individual firms.

Staff: Boards may engage employees to undertake administrative and office work, to assess and collect the levy and to pay grants. Training advisors may also be hired to inspect the training provisions of firms who want to introduce or improve training arrangements in order to meet the Board's standards.

Joint Committees: Occupations which are found in several, or indeed many, industries (e.g., engineering maintenance workers, building workers, clerical and commercial workers) are the responsibility of each industry in which they are found. Nevertheless, two or more Boards may establish joint committees where they have overlapping occupational responsibilities. (The Joint Foundry Committee covering employees in the iron and steel industries is an example.) Alternatively, a Board may adopt the standards and methods recommended by the Board of another industry.

Minister of Labor's Powers vis-a-vis the Boards

A Board, subject to the Minister's approval, is empowered to decide the rate of levy and the amount of grants to be paid to employers to encourage training. Similarly, the determination of standards of training is left to each Board. In this sense, industry retains primary responsibility (including financial responsibility) for seeing that training is adequate both in quantity and quality. The

Minister's powers are, nonetheless, considerable.[36] It is up to him to determine the scope of the industry and he is not committed to existing industrial divisions. He also appoints members of Boards after appropriate consultation and must approve each Board's proposals for the exercise of its powers. (Since levy proposals have to be made in the form of statutory orders and placed before both Houses of Parliament, the Minister has a particularly close interest in seeing that they are reasonable.) Finally, the Minister has power to make financial grants to Boards and can use these grants to provide an incentive to them -- and indirectly to employers -- to give priority to the types of training he thinks important.

The Central Training Council

The Act requires the Minister of Labor to appoint a Central Training Council to advise him on the administration of the Act and on industrial training matters generally. The Council must consist of a chairman, six employer and six employee representatives, two representatives of nationalized industries, educational representatives, and not more than six chairmen of ITBs. There is an additional category of members called "other persons" who do not represent anybody, but are supposed to have some knowledge of the subject. They are important since they do not represent the clearly specified vested interests, and are thus less likely to have any strings attached to them.

The Council is expected to consider proposals for the establishment of ITBs in particular industries; to keep under review the performance of the various Boards; and to consider matters which may be of general interest to the Boards (e.g., training methods, training of training officers and instructors, training of clerical and commercial staff, and the use of proficiency tests). It is also expected to publish information or recommendations about training and sponsor research into training methods. Finally the Council is required to submit reports of its activities to the Minister "from time to time."

---

[36] The present Minister is choosing to work through persuasion rather than by compulsion.

THE INDUSTRIAL TRAINING ACT IN OPERATION

Since the Industrial Training Act became law in March 1964, 17 ITBs have been established. The first Board organized was in Wool Textiles (June 1964),[37] and the most recent (November 1966) in Hotel and Catering. These figures are constantly changing since new Boards are being organized in a steady procession. Discussions are currently taking place with a view to the formation of Boards in Civil Air Transport, Distribution, Manufacturing and Distribution in Baking, Meat and Milk Trades, the Chemical and Allied industry, the Petroleum industry, and the Plastics Processing and Rubber industries.

The Boards range in size from the Carpet Industry Training Board encompassing 4,100 employees to the Engineering Industry Training Board with over 3,500,000 employees. On the basis of the number of companies covered, the Man-Made Fibres ITB is the smallest, with only six very large companies. The Iron and Steel ITB has fewer than 300 companies, while the Engineering ITB has 27,000 firms and the Construction ITB has upwards of

---

[37] The Board has since been enlarged to include the jute and flax industries within its scope. This added 35,000 workers to the original 175,000 covered by the Wool Board.

70,000. The industries covered by the 17 Boards employ about 10,000,000 persons, or nearly 40 percent of the total British work force.

Of the 17 Boards now in existence (March 1967), the first five, which were set up in 1964, have passed the settling-in stage and are well into their stride. They are the Engineering, Construction, Iron and Steel, Wool, Flax and Jute, and Shipbuilding ITBs. The 1965 Boards (Electricity Supply, Gas, Water Supply, Ceramics, Glass and Mineral Products, Furniture and Timber) are now getting down to their real work.

Most of the remaining Boards have been devoting their energies during the first year to the problems of getting organized, recruiting senior staff, identifying the firms in their industries, acquiring premises and equipment, collecting essential information from employers, and setting up the committees to whom they will be delegating much of their work. In assessing the impact of the Act at this time we shall look primarily at the activities of the first five Boards.

All the Boards have recognized that it will take considerable time and effort before they are in a position to make detailed training recommendations for the main occupations in their industries. The determination of what a trainee needs to know and the best means of acquiring this knowledge and skill involves a good deal of study and research. In addition, the problems of forecasting manpower needs and planning to meet them (an essential part of each Board's job) will require far more effort and expertise than the Boards possess at the present time. For these reasons each of the Boards thus far has attempted to establish a "more-or-less" provisional levy and grant policy to provide an immediate incentive to employers to give their training arrangements some closer scrutiny. Meanwhile, the Board has undertaken the job of defining training standards for occupations of first priority. During

1966 the results of these standard setting activities by the first Boards began to appear in the form of more detailed recommendations.

Levy Policy

The first five Boards have varied considerably in their approach to the levy-grant system. At one extreme is the Engineering ITB which has decided that its levy should, from the outset, realistically reflect the total cost of training in the engineering industry. It also decided to tackle the whole range of training in the industry. To establish its initial levy the Board surveyed a wide range of engineering firms -- especially those with good training programs. After a careful analysis of the results, the total cost of all training for the industry was estimated and from this the rate of levy worked out. During the first year of operation the Engineering Board collected Ł 75,000,000 ($210,000,000) on the basis of a 2-1/2% levy on the total payroll of firms in the industry.

The other ITBs have elected to begin with a smaller levy and with grants made only for specific aspects of training which they consider particularly important or for which costs are easily identifiable. Examples of the rate of levies imposed by the other Boards during their first year are: Wool-0.75%; Construction-0.50%; Shipbuilding-0.55%; Water Supply-1.1%; Electricity Supply-0.02%; and Furniture and Timber-0.9%. With the single exception of the Iron and Steel Board, all ITBs so far have established their levies as a percentage of the annual wages and salaries bill. The Iron and Steel Board has decided that a per capita levy will provide a fairer redistribution of training costs given the nature of its industry. Their first year levy amounted to Ł 7 ($20) per employee.

In its second year of operation the Construction Board increased its levy to 1.0%. This is in keeping with the

Board's avowed intention to make steady progress toward full coverage of training costs in the industry, and in harmony with the expressed policy of the Central Training Council that this objective should be accomplished as soon as possible. The second year levy imposed by the Iron and Steel Board has been doubled to Ⱡ 14.10 ($41), and that of the Wool Board increased to 1.0%.

All firms, unless specifically exempted, must pay the levy. During their first year the Construction and Engineering ITBs excluded all firms with annual payrolls of less than Ⱡ 5,000 ($14,000). This was done to facilitate the establishment of the levy collection machinery and to avoid the difficulty in identifying all of the firms in the industry in such a short time. During the second year the Construction Board has reduced this exemption to firms with annual payrolls of Ⱡ 3,000 ($8,400) or less. It is anticipated that all forms of exemption will be eliminated during the 1967-68 levy-grant year.

A recent development of considerable import is the decision of several Boards to initiate differential levies. Employers under the Wool ITB who do not process materials and who do not need to employ skilled manual labor will now pay a levy of 0.5% of their payroll. The remainder will pay 1.0%. (This reduced levy applies to a relatively small number of firms.) Of much more significance is the direction in which the Ceramics, Glass and Mineral Products ITB is moving by instituting a differential levy for different sections of the industry. This Board is attempting to tackle the problems resulting from being the first really composite Training Board. They propose to operate a common grants scheme, but a differential training levy. The wide range of industries covered by the Board falls into three main groups, for each of which a Sub-Board has been established. Proposals for training levy in the first year are as follows: (1) Extractive industries, cement and cement products and associated products--0.75% of total emoluments; (2) Bricks, refractories, salt-glazed ware, abrasives and associated products--0.75% of total emoluments; (3) Pottery, glass and associated products--1.5% of total emoluments.

The levy-grant cycle for all Boards has been one year. The levy has been collected in installments of varying time intervals and amounts. In the case of the Wool Board a levy-grant cycle is effectively completed every six months. Since most employers felt that it would be too great an imposition to have their money tied up for an entire year they sought and obtained the six-month cycle. In practice, this has necessitated double the work load for the Board as well as for the employers themselves. As a result, it is doubtful whether employers are any better off.

Another problem which has arisen is whether the Act would permit an accounting procedure under which only the balance between levy and grant need be paid or whether the Act requires the levy always be paid in full as a first step in the legal process. At first it was insisted that the Act required the full payment of levy, but opinion now seems to be that the practice of paying only the balance would be permissible.

Appeals Against Levy: By the end of April 1966, 2,019 employers in the construction, shipbuilding, and wool industries had appealed their assessment by the respective ITBs. Of these, 430 were settled out of court, 529 were confirmed by tribunals, 272 were rescinded, 210 were reduced and 5 were increased. Employers in the engineering industry had appealed 542 cases, but action on these cases was still pending.[38]

---

[38] Ministry of Labour Gazette, vol. 74 (June 1966), p. 315.

Grant Policy

The intent of the Act is to distribute most of the levy collected by the Boards in the form of grants. Three basic approaches to awarding grants have been considered thus far:[39]

The Refund System: A direct refund of actual training costs (or a fixed percentage of these costs) is made on the basis of audited accounts of training expenditures. Although this appears to be both fair and straightforward, there are two disadvantages. First, it has proved extremely difficult to identify actual training costs, except for items such as external course expenses or wages of trainees or training staff. Until standard cost accounting procedures can be developed for training, it is unlikely that direct refunds will be offered except for certain easily identifiable items. Most training Boards are adopting the refund method for the expenses of certain external courses for training officers and, in a few cases, managers and other trainees. The Ministry of Labor has set up a working party which includes representatives of the professional accounting bodies on the costing of training. Its second disadvantage is that it may encourage an increase in training effectiveness. There is fear that even when the Boards institute adequate systems of inspection, employers may lose their cost consciousness.

Per Capita Grants: Several of the Boards are awarding grants on a per capita basis for specified categories of trainee. This approach is most easily applied to apprentices or to others whose "training" covers a set period of time. The Construction Board, for example, made a grant of £ 80 ($224) per annum for each craft apprentice and £ 120 ($336) for a technician, technologist, commercial or professional trainee. It has recently introduced further differentiation of grants for various categories of trainee. The Wool Board offers per capita grants for apprentices on a scale varying from £ 100 ($280) for a boy in either his first or second year of training to £ 150 ($420) for the third year of apprenticeship. Operative training, which is of particular significance in the textile industries, is also treated partly on a per capita basis by the Wool Board. The Board has drawn up a list of every identifiable operative occupation and nature of training considered desirable. A firm may claim the relevant training value for each trainee. While certain conditions, such as the provision of day-release, may be stipulated in paying per capita grants, they are in general paid without reference to the standard of training provided. They do, however, provide a fairly simple grant mechanism for Boards during their first years of operation.

---

[39] "Industrial Training Boards: Progress Report No. 1," BACIE Memoranda, April 1966.

One of the potential disadvantages of the per capita system is that some of the obvious things such as day-release can be fairly easily grant aided (as in the refund system), but they may not necessarily be the most important. This can result in short run encouragement of unimportant activities while really important subjects are missed completely. Thus, for example, the grants for day release in construction are causing an increase in day-release, but there is little incentive for firms to improve training at the point where it really matters, i.e., on the job. It is assumed that the temporary grant provisions will be revised later on when the information is available on ways and means of grant aiding other forms of training. Unfortunately, existing grant provisions may be regarded by employers as having created binding precedents for Boards to follow. Firms may argue that they have made all their future plans on the basis of the provisional grant arrangements and Boards may find it very difficult to resist this argument. This could lead a Board to retain all its existing grant provisions and necessitate raising the levy even higher in order to grant aid to other things.[40]

Performance Rating Methods: This approach represents an attempt to discriminate between the differing standards of training within industry and to provide firms with an incentive to improve the quality as well as the quantity of their training. The Engineering Board, in adopting this approach, has established a "performance rating" for each firm based on an assessment of their training effort (both in quantity and quality). If a firm's methods of training score relatively high compared with a norm for the industry, or it trains more people than the average firm, it can expect to achieve an overall assessment higher than the norm, and consequently get back more in grant than it paid in levy.

The rating of an engineering firm is established first by assessing the amount of training done in relation to the firm's use of trained manpower in seven broad categories. Each employer is required to indicate to the Board the number of persons employed and the number of persons being trained on three specified dates between September and November (the first three months of the academic year). By comparing the number of people being trained with the number of people employed, the Board makes an assessment as to whether the employer is making a fair contribution to the amount of training being done in the industry as whole. (The quantitative figures of employees and trainees are actually required for each of eight categories of occupations[41] which are, for purposes of training assessment, collapsed into three categories: (1) training of managerial, technical, commercial, clerical and supervisory staff; (2) apprentice training, or equivalent training for skilled crafts; and (3) operative training of four weeks duration or longer. No assessment is made of training in the eighth category -- occupations for which employees require less than four weeks training.)

---

[40] Information in a letter to the author from John Wellens, March 19, 1967.

The second half of the Engineering Board's performance rating system encompasses the scoring of answers to a series of over forty "yes/no" questions (each of which must be answered separately for the eight different occupational categories of trainees) on the nature of training facilities provided. These questions cover selection procedures; training aids; training; control of progress; instructors; training of new entrants; training of other employees; use of further education facilities; and other training activities.[42] The answers to these questions are weighted by the Board according to their judgment of the importance of the item.[43]

---

[41] The eight categories of occupations listed on the form employers are required to complete are as follows: (1) managers, works superintendents, departmental managers; (2) scientists and technologists; (3) draughtsmen and other technicians; (4) other administrative, commercial, clerical and office staff; (5) foreman; (6) craftsmen in skilled occupations for which the normal method of entry is by apprenticeship or other equivalent training; (7) operatives who have acquired a degree of skill by experience and/or training: occupations for which a new entrant would need at least four weeks training or experience before becoming reasonably proficient; (8) other employees, including other operatives, laborers, employees in stores, warehouses or dispatch departments, etc.

The Wool Board has combined the per capita and performance rating principles in awarding grants for operative training. Firms are entitled to claim bonuses if certain conditions are fulfilled (e.g., if instructors have been trained in instructional techniques; if a written training plan, which has been fully programmed, scheduled and approved by the Board, is used; if a separate training school is provided).

Other Boards are employing various combinations of the three approaches listed above as a basis for making grants. Experience thus far indicates that as the levy-grant schemes increase in scope, and as the Boards develop qualified inspectors and advisors, they are likely to move increasingly towards policies which reflect performance ratings. Boards will also, in most cases, need some means of assessing the competence of those who have been trained.

---

[42] Examples of the questions used are: Do you have a separate clearly defined training centre or area used solely for training purposes? Do you work to a detailed programme or syllabus covering the whole training period? It is a condition of an instructor's employment that he should attend a course in "methods of instruction"? Do you normally give paid day-release or paid block-release to trainees?

[43] It has been suggested by some that the only reason why the Engineering ITB has been able to get away with a big levy from the very beginning is because it has used a performance rating system which no one else can understand. In this case there can be no argument about precedents because the individual company only knows the absolute size of its general grant, but not how it is made up.

It is noteworthy that the Act makes no provision for appeal against the amount of grant paid out by the Boards. In fact, companies do not have the right of knowing how their grant was calculated. The initial concern was that if the right of appeal was allowed over the amount of grant, there would be a deluge of appeals. In the absence of this right of appeal over grants, ITBs are following a variety of different expedients. Some will, for example, explain what a firm has to do to increase its grant.

In July 1965 the Minister of Labor announced that henceforth he would normally approve the proposals of ITBs only if they made it a condition of grant to employers that day-release or the equivalent should be provided for young people in occupations requiring a substantial amount of training. "Substantial" was defined as being periods of training lasting one year or more, but "there may be occasions when release for further education is desirable even though the training lasts less than a year." The age limit of 18 was purposely omitted as it was recognized that day-release might be of value to a number of older employees. Most Boards have confined their insistence on day-release almost entirely to apprentices or similar trainees. The Engineering ITB has recently announced that from September 1967 it will be a condition for grants that all commercial and clerical trainees up to the age of 18 must be released for further education on a day or block-release basis.

Ministry of Labor

Grant Policy: The Act authorizes the Minister of Labor to make grants or loans to ITBs to provide incentive, to assist them in carrying out their duties and to supplement the funds raised by the levy. (Up to Ł 50,000,000 ($140,000,000) has been authorized for this purpose.) In general, grants are being made for current expenditures of a Board and loans for needed capital expenditures or for initial working capital. The Ministry is accordingly making grants to Boards, both to cover initial administrative expenses during their first year of operation and to promote particular aspects of training which it considers of major national importance. In some cases grants of the second type will be made directly to employers who are not yet covered by a training board. All grants to firms within the scope of a training board are paid through the Board. (It should be noted that the Minister of Labor has no power under the Act to pay grants directly to employers. Direct grants to employers are being paid under other powers.)

To foster research on industrial training, the Ministry will pay 50 percent of research costs of Boards in addition to the full cost of research approved by any other agency. The Grants Subcommittee of the Central Training Council examines all applications and recommends those for grant aid. The general principle is that a Board is responsible for its own research, but that there are many valuable projects which do not come within the boundaries of any one industry. There are also many important fields of inquiry on which a new Board should determine its policy, but which it will not be able to undertake until it is in good working order.

Training Section: Once the task of organizing the first group of ITB got underway the question arose as to who would assess the work of the Boards. Because the Minister of Labor had been given primary responsibility for industrial training under the Act, it was deemed both appropriate and necessary that some mechanism be created within the Ministry of Labor to advise him in his work. Therefore, a Training Section composed of a small staff of training specialists was created within the Ministry and a Chief Training Advisor appointed as its head. The role of this group, while yet to be worked out in detail, is to provide the Minister with technical expertise and advice on all matters relating to industrial training and to function as his inspectorate over the work of the ITBs.

ITB Assessors: Due to the sensitive nature and importance of the Ministry assessors to the Boards, it is imperative that only the most competent people be appointed to these positions. The Ministry of Labor and the Department of Education and Science are thus being faced with the difficult problem of finding sufficient numbers of high caliber civil servants to act as assessors to all of the Boards.

Training Recommendations

During their first year of operation few Boards were in a position to make detailed training recommendations. However, during the past year a spate of recommendations have been issued by the Boards based on their initial research and experience.

The Engineering Board, for example, has proposed that all craft and technician apprentices undergo a year's full-time instruction in special off-the-job training centers with the first nine months being common to all the main engineering trades. Specialization will begin only in the last three months of the first year. After the first year of basic training, a wide choice of training and experience "modules" are available so that new kinds of craftsmen can be trained on the basis of the needs of the industry and and the capabilities of the trainees. The training modules are being developed as a result of "scientific analysis of skills and the time of learning matched to the needs of the job and the rate of learning of the individual."[44] Progressive testing and certification of trainee progress and day-release to colleges of further education will also be integral parts of the program.

---

[44] Engineering Industry Training Board: Report and Statement of Accounts for the Period Ended 31st March 1966, p. 8.

The Wool, Jute and Flax ITB has been giving considerable attention to operative training. Instructor training has been stressed and a course instituted to train instructors for firms in the industry. They are also concerned with the absence of personnel and training officers in the industry and are encouraging the employment of qualified persons. Finally, because of the nature of the industry, the Board has found "that the supply of trainees is their main problem. There is no unwillingness on the part of employers to train, but there are widespread complaints of the difficulty of recruiting trainees to the industry."[45]

During its first year of operation the Construction ITB made only limited grants for easily identifiable categories of training. The Board held off making detailed training recommendations in anticipation of a major study by the Building Research Station into the skills used in the industry. The report was completed in September 1966.[46] Together with the recommendations of the Board's staff, it will provide the basis for more detailed training recommendations. It is the intention of the Construction Board to provide recommendations for training at all levels, including management which is considered so essential in this industry. It is also encouraging groups of firms to form nonprofit training associations to organize group training schemes. In September 1966 the Construction ITB established a center for the training of civil engineering plant operators at a former Royal Air Force Base in Norfolkshire. The Center will be progressively expanded so that it will ultimately be possible to accommodate about 500 trainees; and training for other specialist occupations in construction will be developed in due course. The Water Supply Board has established a similar center. Their main objective is training operatives in pipelaying and other activities which are not so different from some civil engineering operations. They do not put the same emphasis, of course, on plant operation.

---

[45] "Training in Wool Industry," Ministry of Labour Gazette, vol. 74 (October 1966), p. 656.

[46] R. E. Jeanes, Building Operatives Work, 2 vol. (London: H. M. S. O., 1966).

The Shipbuilding ITB devoted its initial efforts to establishing training recommendations for craftsmen and draughtsmen. During the past year, the Board has prepared a plan providing full-time off-the-job training in a boatbuilding center for first year apprentices. The first industrial training center established by the Board was opened at Southampton in November 1966. If the center is successful, additional centers will be opened in other areas.

The Iron and Steel ITB confined its first recommendations to the training of operatives and craft apprentices. In May 1966, having been satisfied with its initial efforts, the Board published a complete set of training recommendations covering all its major occupational categories.

The past reliance of the trade unions on a rigid length of apprenticeship as a means of restricting entry into the trades has not been eliminated *ipso facto* by the passage of the Industrial Training Act. However, the ITBs have faced the issue by attempting to separate the content and length of training from the determination of wage scales and journeyman status. Decisions regarding training are being made on the basis of what needs to be learned and the best method of acquiring the skills and knowledge without regard to the once sacred five-year apprenticeship. The determination of suitable wage scales and the awarding of journeyman status to trainees is regarded as a proper subject for the employers and trade unions to decide through the collective bargaining process.

Staff

The task of recruiting qualified staff, especially training officers, has been a difficult one. Most ITBs have been forced to hire untrained persons and initiate staff training programs. The numerical size of their staffs varies considerably. The Construction ITB currently employs about 250 persons, the Engineering ITB over 600, and the Wool, Jute and Flax ITB, 26. A substantial proportion of those employed by the larger Boards are clerical and administrative employees concerned with the mechanics of collecting and processing of information at the Board's headquarters. All Boards are placing considerable emphasis on building a cadre of training advisors and setting up regional offices to provide national coverage. It is the training advisors who make direct contact with individual employers, many of whom are clamoring for assistance in coping with the paperwork involved in the levy-grant system. Consequently, most training advisors are currently functioning in an informational capacity only. Eventually they will spend more of their time as advisors and inspectors (akin to Her Majesty's School and Factory Inspectors, etc.). This transition may result in some role conflict both on their part and that of the employers whom they service.

The Central Training Council

The main functions of the Council thus far have been to advise the Minister on priorities in establishing training boards and to consider certain aspects of training common to all industries. For the latter, the Council has established a number of special committees including: General Policy Committee, Commercial and Clerical Training Committee, Research Committee, Committee for the Training of Training Officers, Committee on Training

Managers, and Committees for Wales and Scotland. Intermittently over the past two years the Council has issued six memoranda setting forth its views on important issues. These have included two on Industrial Training and Further Education, and one each on Industrial Training and Training in Safety, The Use of Programmed Instruction in Industrial Training, Approach to Industrial Training, and The Selection and Training of Instructors.

The Council has also published reports prepared by its committees or outside consultants setting forth recommendations for the basic training of training officers,[47] the training of clerical and office workers,[48] and supervisory training.[49] The Central Training Council currently is engaged in preparing reports on the long-term training of training officers and on the training of office supervisors.

As of September 1966, the Council's Research Committee had authorized six grants amounting to a total of Ł 42,000 ($118,000) to university professors and other organizations for research in training.[50]

---

[47] Ministry of Labour, Central Training Council, Training of Training Officers: Introductory Courses (London: H. M. S. O., 1966).

[48] Ministry of Labour, Central Training Council, Training for Commerce and the Office (London: H. M. S. O., 1966).

[49] Ministry of Labour, Central Training Council, Supervisory Training: A New Approach for Management (London: H. M. S. O., 1966).

[50] Ministry of Labour Gazette, vol. 74 (September 1966), p. 570.

PROBLEMS AND PROSPECTS

Teething Troubles

The primary objective of training is to contribute to the efficiency of individuals and firms and thus of industry at large. While the carrot-stick approach can contribute substantially towards achieving this end, the job of changing long established attitudes and practices among employers and trade unionists will be long and tedious.

The establishment of suitable training standards and measurement of effectiveness will also tax the ability of the ITBS for some time. It is one thing to distribute press releases and publish reports, but in the long run progress will be based on: (1) complete analysis of jobs in terms of skills and knowledge required; (2) planning of training programs in great detail on the basis of these analyses; (3) systematic selection and training of training staff; (4) systematic recruitment and/or selection of trainees in light of the required skill knowledge; and (5) evaluation of training provisions related to effectiveness of the work performance of those trained.[51]

A grossly inadequate supply of training specialists and officers at all levels will persist for some time. Providing a staff of competent people for the ITBs presently organized, not to mention firms in industry, is overtaxing the supply mechanisms. Five years ago Britain was without a single college level course for training officers. The inertia was so strong that even in 1963 BACIE had difficulty gaining support for the new course for training officers which they sponsored.[52] By 1965 there were eight colleges and universities offering courses for training officers -- most of them limited to four-week introductory courses. (Only 367 persons completed a training course during the 1965-66 academic year.) The number of colleges now offering courses has been increased to 28.[53]

---

[51] De C. Meade, pp. 16-17.

The problems of small firms with limited or highly specialized operations will require imaginative approaches to training. Group training in one form or another appears to be the only workable solution for this problem. The Engineering and Construction ITBs have both taken positive steps to encourage this development by providing reasonably generous grant provisions for group training schemes in some areas. Group training, particularly for engineering apprentices, has been a resounding success in a number of important cases. For example, on Merseyside (Liverpool and vicinity) where group training in engineering was initiated in 1961, there were 25 trainees and one training officer by the end of 1962. At the beginning of the training year in September 1966 they had over 1,100 apprentices in training, and 15 full-time training officers supervised by a chief training officer controlling a network of 9 group schemes covering 60 companies. At the present time the group training officers on Merseyside are engaged in helping the 60 engineering companies in the various schemes to carry out analysis work in the supervisory training field, so that they can meet the training requirements of the Engineering ITB by September 1967. In the absence of group training in the area, these 60 firms would have had great difficulty with this particular requirement.[54]

---

[52] BACIE has been running courses for training officers for some 30 years, but the longest of these courses never exceeded 3 weeks, and most of them were of 5 days duration. This new course arose out of BACIE's belief that for the comprehensive training of training officers a much longer course would be required and they pioneered a new 10 week course.

[53] Ministry of Labour Gazette, vol. 74 (November 1966), p. 739; Industrial Training International, vol. 1 (December 1966), p. 373.

There is a very real danger that the ITBs and their staff may try to undertake too much too soon. One observer has called this "The Damburst Effect."[55] The buildup of large and unwieldly staffs and the rush to "show results" on all fronts before problems are thoroughly investigated may lead to narrow or conventional programs to the detriment of flexibility and imagination. The early attempts of the Engineering and Construction Boards, with their large staffs (administered by a healthy sprinkling of ex-colonial civil servants) to establish comprehensive training standards, are illustrative. The danger of mediocrity in training and the substitution of a new status quo far short of the goals must be recognized.

A parallel threat lies in the temptation to set up new bodies and start new services, regardless of what already exists. While there is certainly need for much that is new and enterprising, it is wise to determine whether the proposed services are already available elsewhere or could be more cheaply and efficiently obtained through existing facilities. The job of coordinating and integrating the disparate elements of the nation's present training system remains a formidable one.[56]

---

[54] Information in a letter to the author from F. W. Greig, February 22, 1967.

[55] De C. Meade, p. 18.

Associated Further Education

The Industrial Training Act will have far-reaching implications for the further education system. The principle has long been accepted in Britain that the provision of skill training is industry's responsibility, while only the supplemental related vocational education (theory) has been provided by education authorities. The Act makes no essential change in this position; it recognizes the division of responsibilities. Nevertheless, Section 2 (1) (c) of the Act places upon the ITBs the responsibility to ". . . consider such employments in the industry as appear to require consideration and publish recommendations with regard to the nature and length of the training for any such courses and the further education to be associated with the training." Training Boards are thus empowered to make recommendations in some detail concerning the form and content of training courses, the level of competence to be reached by trainees, and the standards for those who supervise training. They are, however, required to do no more than recommend the course or courses of further education which should be associated or linked with the training course.

There is a danger that, in clarifying the relation between training and education, the Act may tend to sharpen the distinction at a time when it is becoming less meaningful. The Central Training Council has recognized this possibility and, therefore, issued two memoranda emphasizing that "notwithstanding the formal division of responsibility between the boards and education authorities, further education and training are complementary aspects of a single problem."[57]

---

[56] P. J. C. Perry, "Training in the Economic Blizzard," BACIE Journal, vol. 20 (September 1966), p. 109.

The Council has reiterated that it is essential for a Board's recommendations on training to include associated further education. In order to ensure the closest coordination between the ITBs and educational system, the Act provides for educational members on all training boards. At the Ministry level, an inter-agency committee headed by the Parliamentary Secretary to the Ministry of Labor and composed of the ministers responsible for education, technology and the treasury has been established.

Whether the efforts of the Central Training Council, in defining the education-training integration problems and setting forth policies and practices to effect the desired coordination, will surmount the traditional barriers remains to be seen. However, to bring about a truly national occupational training system will require the expansion, integration and rationalization of both further education and industrial training.

Manpower Planning and Forecasting

The problems associated with manpower planning and forecasting remain unresolved at the present time. Most of the Boards have concentrated their early efforts in other areas, and as yet few have given serious thought to this problem. Some have gathered information about existing manpower requirements and projections of individual firms, but none have developed the expertise to use the data as part of the Board's planning mechanism.

---

[57] Central Training Council, Industrial Training and Further Education, Memorandum No. 1 (April 1964), p. 3.

All of the ITBs look for leadership in planning and forecasting to the Manpower Research Unit (MRU) established by the Minister of Labor in 1963. This special unit has the responsibility for basic manpower research as well as for medium and long-term national forecasting. With the passage of the Industrial Training Act, the MRU has the added task of providing its national and occupational forecasts to the various training boards for use in their decision making. The MRU has also assumed an increasingly important role (under the Labor Government) in planning. Several other agencies are expected to play a considerable role in manpower planning, particularly the National Economic Development Council, the industrial Economic Development Councils, and the Department of Economic Affairs.

Recruitment and Selection of Trainees

With the expansion of the national training effort, the related problems of recruitment, selection and job placement must receive considerable attention. As most of the ITBs are initially concentrating on training young workers for skilled employment, the task of matching the boy with the job (which includes the provision of training) has become increasingly important. The resources of the Youth Employment Service (the public agency which provides vocational guidance and job placement services for young school-leavers),[58] inadequate at best, will be swamped unless help is provided on a massive scale. A few of the ITBs, most notably the Wool and Engineering, currently find firms who are willing to train employees, but who are unable to recruit them. The Wool Board has already ventured into recruiting -- a grey area which may or may not be a legitimate function. There is need for substantial upgrading of employment services at all levels; and most importantly, the traditional disdain for vocational guidance (including psychological testing) must be overcome in order to efficiently match men and jobs (and training opportunities).[59]

---

[58] The minimum school-leaving age, which is currently 15 years of age, will be raised to 16 in 1970-71. About 75% of the age cohort leave school at this time. An additional 10% end their schooling by the age of 17. The remaining students are in academic grammar or public schools studying for their General Certificate of Education (GCE) "A" levels which are required for university entry.

Unemployment and Retraining

The Industrial Training Act was designed primarily to provide skill training for young school-leavers and secondarily to retrain older workers made redundant -- both to meet skilled manpower shortages. From the outset, the ITBs have been fully engaged in trying to solve these problems. The basis of all training assumptions and priorities has been that the country would enjoy full-employment, which is a cornerstone of public policy. Consequently, during the past two and one-half years virtually no time was devoted to the unthinkable -- large-scale unemployment.

---

59 Several recent developments indicate some progress in this area. In 1966 the Ministry of Labor set up several experimental "Occupational Guidance Units" throughout the country to provide vocational guidance services for adults. The response so far has been very favorable. There is also a move underway to upgrade and modernize the Employment Exchanges, long suffering under the same stigma as their counterparts in the United States.

When the financial crisis of 1966 resulted in an abrupt reversal of Government full-employment policies, the ITBs were in no position to cope with the resulting unemployment. Consequently, only direct governmental intervention by the Ministry of Labor could alleviate the hardship imposed by redundancy and "redeployment" of labor in Britain. The Ministry has responded to the crisis with a major expansion of training places in Government Training Centers and a new, extensive program of Government training assistance to employers in areas designated as "development districts" -- areas with lagging economic development and considerable unemployment.

The first response of the ITBs was to offer grants for retraining of adult workers within their industries. More recently, the Minister of Labor has announced that he will grant the sum of Ł 2,000,000 ($5,600,000) to ITBs during 1967 to assist in providing more off-the-job training facilities. The money will be used by the Boards to make grants to employers to offset their costs in installing new machinery and ancillary equipment in their training bays or centers. The equipment must be used for the retraining of adults for occupations at the semi-skilled level.[60]

This action creates a dilemma in British training policy. The nation is short of skilled craftsmen. Yet the Government, in its desire to help the redundant and unemployed workers, has earmarked the special funds to be used only for the training of semi-skilled workers.

---

[60] "More Aid for Adult Training," Ministry of Labour Gazette, vol. 74 (December 1966), pp. 813-814.

The dilemma has been pinpointed by John Wellens.[61] In the case of redundant or unemployed workers the Ministry of Labor has a great deal of concern for the worker himself. Yet, the Ministry is a party to the Government's economic policy which has increased redundancy and unemployment. It is a major concern of the Government to see that these workers are gainfully employed for the national economy, and that they should not remain unemployed for very long. On the other hand the interest of the ITBs is not the redundant or unemployed as a special group in need of assistance. Their interest is in promoting training as a means of making job performance more efficient; their thoughts are about training for jobs; their policies are job-oriented. "The concept of training as a means of rehabilitating redundant workers is opposed to the ITB job-oriented concept since it is worker-oriented and could have a large welfare or do-goodist element in it." Wellens goes on to suggest that in the existing crisis the ITBs "have seen training as something uncompromisingly to do with productivity and efficiency." In his view, this is the proper approach.

> Retraining undertaken solely or even primarily for the purpose of removing the unemployed from the register perpetuates an inefficient practice of which British industry has been guilty already for too long a period: taking, with great humanity but with great loss of efficiency, the unemployed into the firm and hiding them there.

The difficult economic crisis has thus brought into focus some valid and serious questions relating to public manpower policy. For example: Is it possible to reconcile and harmonize the training objectives and programs of the ITBs, with their emphasis on productivity and efficiency in industry, with the social welfare objectives of the Ministry of Labor in keeping people off the unemployment rolls? Are ITBs suitable instruments for the achievement of Government social welfare objectives or should such programs be developed and administered directly by the Ministry of Labor? What is an appropriate division of responsibility for the retraining of redundant and unemployed workers between the ITBs and the Ministry of Labor? The present thinking in Britain seems to be that the ITBs have the obligation to provide adult retraining for their own industry but the problem of redundancy is and should remain a governmental responsibility.

---

[61] John Wellens, "Two Million Pound Shot in the Arm for Adult Training," Industrial Training International, vol. 1 (December 1966), pp. 376-377.

IMPLICATIONS FOR U.S. POLICY

The new industrial training system in Britain arose primarily in response to skill shortages, lack of training opportunities for young school-leavers and, ultimately, the need to improve worker utilization and productivity in the face of technological change. The voluntary industrial training efforts were judged to be inadequate both in terms of numbers and quality. Finally, the inequities in the distribution of training costs among individual firms and the lack of training consciousness and expertise on the part of large segments of industry all led to a consideration of proposals for change.

The legislative response represented a long overdue across-the-board frontal assault on the nation's industrial training policies, programs and practices. The Act is a typically British compromise solution to a thorny problem; a partnership between government and industry with stiff doses of "encouragement" provided by the levy-grant system. The major training policies, technical assistance, and training standards will rest within industry controlled

Boards, aided and supervised by an expanded Ministry of Labor training establishment.

In considering the implications of the Industrial Training Act on America, five areas are considered.[62]

Training Consciousness and Unemployment Policy

The Industrial Training Act is generating a national "training consciousness" in Britain. For the first time the public and employers generally are actually becoming aware of the term "training" and what it may mean to them individually or in their businesses. This awareness now has to be channelled into desirable and constructive training activities.

Many social benefits will undoubtedly accrue to the nation as a result of the heightened employer training consciousness and of the extensive programs developed by the ITBs to overcome skill shortages. The Act deals with training as an aspect of employment at the level of the firm. It capitalizes on the employer's self-interest -- his increasing need for skilled workers in order to survive in an intensely competitive business world. Because of this, it leaves a large measure of autonomy and control over the operation of the system to the individual ITBs.

The British situation was somewhat different from that in the U. S. which resulted in the enactment of the Manpower Development and Training Act and similar legislation which were primarily measures to aid the underprivileged

---

62 The writer acknowledges the insights provided by the research of Robert T. Hall, "The Industrial Training Act 1964: A Study of Occupational Training and Technical Education in Great Britain" (mss.) (Paris: O. E. C. D., June 1965), pp. VII, 5-15.

or unemployed. Under the conditions prevailing in Britain when the Industrial Training Act was passed, a job-oriented approach was considered the most appropriate. Recent events indicate that the system, with its emphasis on the employer and his need for skilled workers, cannot by itself eliminate the social ills of unemployment and poverty. The ITBs have been willing to cooperate to the fullest with the Ministry of Labor in providing training for redundant workers to the extent that these activities can be integrated with the primary training responsibilities of the Boards. This situation leaves the Minister of Labor with the task of marshalling other resources at his disposal to meet the unemployment generated by the present crisis. Ultimately he must formulate an overall policy for dealing with redundancy and unemployment which will clearly delineate the individual and joint responsibilities of the ITBs and the Ministry of Labor in dealing with this problem.

The foregoing discussion suggests that the British Industrial Training Act and the approach to training embodied therein cannot be considered a panacea for America's hard-core unemployment problems. These too will require other programs and approaches. However, the Act does provide the framework for an effective national system of industrial training which will bring about a significant improvement in training throughout British industry. For the first time a method has been provided to reach the level of the individual firm; a training consciousness has been fostered and a mechanism provided to give training assistance where needed.

The implications of the Act for America are most significant in this realm because recent U. S. training legislation, notwithstanding the many social benefits provided, has not, in this writer's judgment, resulted in any substantial improvement in industrial training.

The Levy-Grant Concept

Numerous reasons, legal and political, can be given which make the enactment in America of a British style levy-grant system seem quite remote. Nevertheless, this approach should not be rejected out of hand. Justification for such a program would have to be based on convincing evidence that there is now insufficient training in industry; that much of the training is of low standard and uneven quality; and that there is an inequitable distribution of training costs among firms thereby severely restricting the supply of training opportunities. Even more important is the need for some assessment of employer attitudes toward the value of and responsibility for training and the proper utilization of trained manpower within the firm. Only with such an assessment can a determination be made as to whether industry could be "persuaded" through a financial "carrot and stick" to act in their own best interest and that of the nation.

Unfortunately, no thorough, comprehensive national training assessment has yet been made in America. The 1962 Department of Labor study[63] and several other limited surveys have provided substantial prima-facie evidence of inadequacy and need, but additional research along these lines is badly needed. A major national training assessment is a first priority.

On the assumption that we need additional occupational training in America and that a strong case can be made to justify some form of Governmental action, the question remains as to the form it should take. Should it be a national training levy, a tax credit of a general nature similar to the proposed 1967 Human Investment Act, further expansion of public vocational education, or other more limited and selective measures?

---

[63] U.S. Department of Labor, Training of Workers in American Industry (Washington, D.C.: G.P.O., 1964.)

Two elements in the British levy-grant system are of paramount importance in understanding the "political acceptance" of the system and contribute to its ultimate effectiveness. Each of these elements must be considered and weighed in the American context. First is the industry approach to training with delegated taxing responsibility vested in a tripartite board composed of employer representatives, employee representatives, education authorities, and assessors (with only the first two being allowed to vote on the levy). The ready acceptance of the present system by employers rests largely on the creation of ITBs on which they serve and on the fact that the levy is not considered a "tax" in the usual sense of the word (a play on words perhaps, but very important nonetheless). Rather it is viewed by employers as an "industrial kitty" for training purposes which remains under the direct control of the ITBs and is not considered a general tax revenue subject to capricious Parliamentary action.

The second element is the existence of a highly developed "industry consciousness" in Britain, and a long history of joint Government-industry participation in economic affairs. Arising out of World War I "Trade Boards" and "Whitley Councils," industry-wide thinking has been fostered in Britain by numerous agencies, including national and district Joint Industrial Councils, National Joint Apprenticeship Councils, employer associations, trade associations, and industry Economic Development Councils. Several of the industry associations, most notably in the wool, cotton, and iron and steel industries for a number of years have operated extensive and well-organized training departments as part of their services to member firms. (These served as prototypes of their respective ITBs).

Consequently, it was not an unnatural development, quite apart from the technical and other considerations to, organize the training system on an industry basis. It is undoubtedly the most realistic and practical basis and, despite its limitations, provides a firm foundation for accomplishing the objectives of the Act.

Whether the industry approach and the "industrial kitty" concept have any relevance for the United States, given our different circumstances and greater size, is an open question. Nevertheless, they were very important factors in the willingness of British employers to embrace the modicum of compulsion introduced under the new industrial training system.

Another consideration in any discussion of tax credit and levy systems is the mechanism's effectiveness in achieving the desired objectives. There is considerable doubt whether a levy or tax credit scheme by itself, whatever its nature, can achieve the desired end -- that of substantially increasing the quantity and quality of training in needed occupations. Although such an approach would provide some incentives, it still leaves unanswered the question of the employer's capability and willingness to provide the desired training. This is especially true for medium and small employers. Without some form of technical assistance, training standards and inspection, an employer's efforts could still be ineffectual. In meeting this need the British system and the ITB concept have been effective. The levy is functioning in the first instance to create a training consciousness and awareness (favorable climate) among employers. Answering questionnaires, providing information and paying levy has opened many an employer's eyes to his training deficiencies for the first time. The failure to receive a grant because of these same deficiencies has made him "teachable" and willing to ask for help.

The ITBs, aided by the Industrial Training Service and plethora of newly formed profit and nonprofit training advisory organizations, are now able to come onto the employer's premises and assist him in creating, reorganizing or modernizing his training arrangements. Facilities are also being provided for the training of instructors and training officers, and for the off-the-job training of workers in Board operating training centers. If all efforts fail to improve training at the level of the individual firm, the Boards can, as a last resort, provide the necessary and desired training to individuals without any direct link to an employer.

Only when substantial progress is made at the level of the individual firm can we conclude that the training mechanism is working properly. Therefore, a training levy or tax credit system for America, whatever its form, would not be effective in solving the grass-roots training problems without a complementary technical advisory system to provide the employer with the kind of advice and assistance he needs.

Non Levy-Grant Functions of Industrial Training Boards

Among their other functions, the ITBs collect pertinent manpower and training information (and financial information) from firms within their jurisdiction. This mechanism offers a good means for (1) obtaining information on current and future manpower requirements by occupation and specific skill content; (2) developing training standards and training syllabuses relating to industry's requirements; (3) providing technical advice and assistance on training matters for firms in the industry; (4) exchanging of training experiences and techniques among firms; (5) supporting experimental and demonstration and other research of common value to the particular industry's training problems; (6) developing group and other inter-firm cooperative training ventures and perhaps most importantly; (7) acting as a training catalyst through a variety of information and communication programs. At the very least, the U. S. could benefit from an interchange of knowledge and statistical information on problems of mutual concern through official governmental channels and directly with the various Industrial Training Boards.[64]

The development of a variety of useful and desirable functions under the auspices of the ITBs in Britain raises the question of whether we could benefit from such an institution -- with or without the levy-grant system. The establishment of ITBs in America, with tripartite governing bodies (employers, employee representatives, and education) perhaps aided financially by government grants, would go a long way towards creating the kind of favorable training climate and consciousness which we must have to resolve our training problems successfully. Boards organized in this manner might serve as channels for the coordination of training effort and the communication of government training policy and information. They might also foster industry consciousness, provide training advice and support to employers, and serve to lay the foundation for a more extensive national training system in the future. Alternative organization approaches -- on a regional or statewide basis -- could be explored if the complexities of an industry board appear to be too great.

The Training Role of the Ministry of Labor

Several of the operational programs of the Ministry of Labor, especially the Government Training Centers, Instructor Training Centers, Industrial Rehabilitation Units and the Industrial Training Service (formerly the Training Advisory Service) have possible implications for the United

---

[64] Ibid., p. VII, 10.

States. The Industrial Training Service is now under the supervision of the Central Training Council (through membership of Council members on its Board of Directors),[65] but operates as an autonomous unit. While its future role within the Industrial Training Act framework is uncertain, it nevertheless serves as an exemplary prototype of the kind of training technical assistance service which is both needed and desired by employers. A comparable system, perhaps patterned after our Federal-State Extension Service, deserves serious study. The 1965 Technical Services Act may also offer possibilities.[66]

Some argue that the Industrial Training Act does not go far enough in creating a truly national training system. They feel that industrial training boards, with industry participation and control (i.e., employer and trade union), is at best a half measure which may be subverted to parochial ends and dissipated by inertial forces. They would prefer a centrally directed and operated system to ensure training in "the national interest." While such a system does have its advantages, as the French system has demonstrated, it is politically unfeasible, given our different history and institutions.[67] (Excessive reliance on a system of institutional vocational training can also be questioned on educational and training grounds as well.) Furthermore, it appears at this stage of development that the various ITBs are demonstrating responsible leadership in exercising considerable power over the direction of training. They appear to be very responsive to the specific needs and respective industries and are making good progress toward the establishment of realistic training standards.

---

[65] Every member of the Board of Directors of the Industrial Training Service is a member of the Central Training Council so, in effect, it is a committee of the Council.

[66] The Bureau of Apprenticeship and Training does provide limited training technical assistance, but present efforts fall far short of what is needed.

The Industrial Training Act also provides adequate mechanisms for greater national direction and supervision of Britain's training effort. The Ministry of Labor, through its administrative and supporting responsibilities to the ITBs, can be expected to help improve manpower information and training standards in industry. The Central Training Council has already provided the Minister with a useful vehicle to publicize and promote those policies and practices deemed desirable and in the national interest. This, together with his considerable powers under the Act and his direct involvement in training and other labor market activities (e.g., Employment Exchanges, Government Training Centers, and the provision of training assistance to firms in development districts), gives him a powerful kit of tools with which to provide central leadership and direction.

---

[67] There is a good deal of misconception about the French system of training. In fact, only one-third of skilled workers are trained in their Colleges d' Enseignement Technique and the other two-thirds have the old fashioned apprenticeship -- some good, some bad. For a concise analysis of the French system see Gertrude Williams, Apprenticeship in Europe: The Lesson for Britain (London: Chapman & Hall, 1963).

The Act represents a compromise -- just as U. S. Federal-State relationships do. In the area of occupational training, where industry is a major producer as well as consumer of the human resources, the British system provides a good mechanism for bringing employers into a desirable and healthy training partnership. This seems to be the right approach in developing politically acceptable and potentially successful occupational training programs in America.

A National Training System

Perhaps the most significant implication for U. S. policy is that the Industrial Training Act embodies recognition of the need for an occupational training framework embracing the whole range of skill development systems. The British have been slow to recognize the value of their human resources. Notwithstanding the lateness of the hour, they have been able to profit from the lessons of their European neighbors. They are now learning a lesson not yet fully perceived in America -- the role of the respective skill development systems should be determined on the considered needs and requirements of the economy and not on historical precedent. As a nation's economy adjusts to change so must its human resource development policies. Not only must recognition be given to constantly changing skill requirements, but just as skills change so too must the means of providing these skills.

It should be kept clearly in mind when considering Britain's Industrial Training Act and its implications for U. S. policy that "industrial training" encompasses what in America is generally regarded as vocational education and training. British youth do not receive vocational training as part of their secondary schooling and then seek gainful employment. Prior to the time of departure from secondary school young people are assisted in finding jobs --

which include arrangements for occupational training -- by the Youth Employment Service; the type of employment and training sought being commensurate with their aptitudes, interests and abilities. Occupational training for most young people not entering full-time higher education is normally provided as an adjunct to employment. Once employed, the young person may receive his training in a variety of ways, either on-the-job or off-the-job, with related theory being provided at a technical college. The employer usually pays the wages and other educational expenses of his trainees.

The British approach to training is quite different from that common in the United States where vocational training below the college level is usually an integral part of secondary schooling or provided by other post-secondary educational institutions. American youth are usually provided with initial vocational skill training prior to their entry into the labor market in search of employment (there are exceptions to this, of course, most notably craft apprenticeships).

The acceptance of occupational training as a concomitant of employment in Britain has resulted in a much greater reliance on on-the-job training or industrially based training than on vocational education in an institutional setting; the reverse is true in America due to our acceptance of vocational education as a proper function of the schools.

It is impossible to make valid or meaningful comparisons between the British and American systems of occupational training without understanding the different sets of premises on which they are based. However, once this is understood, the industry focus of training and the system of occupational training being established under the Industrial Training Act assume greater significance and relevance for U. S. training policy.

In the U. S. we are just beginning to grasp the fact that some forms of institutionally based vocational education and training which are devoid of direct linkage with the labor market and employment may not be the most suitable or desirable occupational training arrangements for many young people -- a group subject to acute unemployment. The gradual if belated shift in the emphasis of Manpower Development and Training Act programs from institutional to on-the-job training highlights this awareness.

It is doubtful whether the shotgun approach now being given to the problems of vocational education and training by the Departments of Health, Education and Welfare and Labor under existing legislation will bring order out of the present chaotic state of vocational education in America. By indiscriminately channeling enormous amounts of Federal funds into existing institutions and ad-hoc programs -- without first making a thorough, critical evaluation of the existing division of training responsibility between industry and the public schools, and without the development of a more effective organizational framework within which occupational training can be carried out -- there is grave danger that a new die will be cast creating an even more rigid system of vocational education than that set up under the Smith-Hughes Act a half century ago.

It is within this context that the new British system of industrial training has the greatest potential implications for U. S. policy. For notwithstanding its limitations and defects, the British approach with its emphasis on the responsibility of the employer and the use of his premises for the occupational training of young people at the outset of their employment careers (not to speak of the retraining of adults), is a viable alternative to complete reliance on institutional vocational education.

Considerable insight and urgently needed perspective can be had by making a penetrating analysis into the effectiveness of the British system in facilitating the transition of young people from school to work, and their acquisition of needed job skills in an advanced technological society. In addition, much can be learned from the practical operation of a structure specifically designed to integrate "industry" and "education" into a truly comprehensive national occupational training system. The possession of such insight and knowledge would be especially valuable in modifying current U. S. manpower legislation (e. g., 1963 Vocational Education Act and the Manpower Development and Training Act) when it comes up for renewal, or as a basis for framing new training legislation.